



FIELD LEVEL IMPACT OF MGNREGA IN RURAL AREAS OF KERALA – AN ANALYTICAL STUDY

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ABSTRACT

The social security of an individual is of prime concern where he / she are engaged in measures to find livelihood means. In the year 2005, the parliament of India has passed the landmark legislation of National Rural Employment Guarantee Act or NREGA. Later in 2009, it was renamed as MGNREGA or Mahatma Gandhi National Rural Employment Guarantee Act. The act intended to deliver the right to work for all the rural households in India. The MGNREGA programme has its primary focus on improving the livelihood security of the rural poor especially that of the women, scheduled caste and scheduled tribe people. The law was one of the few experiments in the world which were designed to provide an alternative source of livelihood which has its impact on plummeting migration, growth in education and on the improving health care of the rural population. The impact created by the programme among the public is of multi dimensional.

KEYWORDS : Field level assessment, Impact, MGNREGA, Rural area, Poverty alleviation

INTRODUCTION

Since independence India has been promising to alleviate poverty through five year plans. In the process of the developmental struggle the growth enhancing strategy based on "trickle down" mechanism was accorded top priority for alleviation of poverty. It was strongly believed in the first Three Five Year Plans (1951-1966) that poverty could be effectively tackled through general growth process and automatically it would trickle down to poor masses. The First Five Year Plan placed agriculture on top priority and shifted to industry in the next plan. It was during the Fourth Five Year Plan that the focus shifted from growth to reduction of poverty. The rural poverty alleviation schemes which are now being implemented in India can be grouped in two categories viz. (1) wage employment schemes; & (ii) self-employment schemes. These schemes are of two kinds of rights – rights which are customary and those which are legal. This aspect relies on the principle of self-selection for Public Works Programme (PWP) – people who want to do hard manual labour at minimum wages will demand and be given work by the state. PWP is a popular instrument in developing countries for delivering social protection. They have been identified as an instrument which can have a key role to play complementing life-cycle based social protection instruments such as cash transfers as a way to help address poverty. They are often preferred to cash transfers because people have to work for their entitlements, and are perceived as 'self-targeting' – as the work requirement helps to prevent the benefits being captured by the better-off. Moreover, a well-designed public works can help conserve natural resources, create useful physical infrastructure which closes the infrastructure gap which reduces the production and transaction costs of doing business (OECD: 2006, 2009).

In Kerala, the 1st phase started during 2006 in the rural areas of two districts Palakkad and Wayanad. Later it extended to Idukki and Kasaragod during 2007 as the 2nd phase and further continued to all districts from 2008 April onwards as the 3rd phase. In the attempt to track the impact of NREGS, this report broadly analyses the socio-economic background, nature of economic activities available and undertaken, awareness level of on NREGA, and extent of accessibility to such economic activities. Many of these social policies have important multiplier effects on the rural economy. Over the years various social scientists have appraised the performance, implementation procedures and impact of MGNREGS. New opportunities can raise the earnings of the poor. The additional income to families through MGNREGS has led to

more sustained consumption growth and it has increased their purchasing power. Greater income leads to greater purchasing power of the poor, which stimulates the demand for goods and services, leading to additional opportunities for self-employment and waged work.

With greater disposable income, poor households can make productive investments that can improve the viability of their businesses, or allow them to engage in new entrepreneurial activities. Employment, and the quality of employment, decent work, is crucial for poverty reduction and in achieving growth with equity and pro-poor growth. The link between economic growth, employment and poverty reduction is thus a process in which output growth induces an increase in productive and remunerative employment, which, in turn, leads to an increase in the incomes of the poor and a reduction in poverty. Ensuring that growth is pro-poor requires high employment-intensity of growth and a rise in productivity which also depend on institutions, policies, laws and practices that positively affect the functioning of labour markets.

SIGNIFICANCE OF THE STUDY

The study focused on both the performance and impact of the Scheme in the selected sample Panchayats of south central Kerala. The study in general will assess the overall impact of the programme implementation and to analyse the extent of compliance of the Act, nature and utility of assets created, impact of the programme in decentralised governance institutionalising transparency, accountability etc.

METHODOLOGY

A sample size of 560 job card holders who are actively participating, drawn from 10 gram panchayats of south central region of Kerala state was selected. Yamane (1967:886) formula was devised to fix the sample size ie. $n = N/1+N(e)^2$ where n = sample size, N = population size and e = level of precision. 95% confidence level & 5% precision level are assumed. To arrive at a proper mapping of the programme, qualitative and quantitative tools have been used. Data was collected from both primary and secondary sources. Analytical research design is used and the samples were collected in purposive random manner.

FIELD LEVEL EXECUTION OF MGNREGA AND ITS IMPACT

Based on the data collected from the respondents the following impacts / trends could be observed. The caste wise distribution of

the respondents can be represented as –

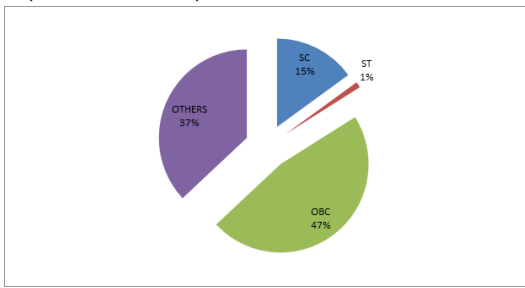


Figure: 1 Caste wise distribution of respondents

Source: Computed- Field Data

From figure: 1, it is clear that the majority (47%) of respondents are OBC (Other Backward Class) followed by others (37%) such as general category. The representation of Scheduled Caste is 15 percent and that of Scheduled Tribes is only 1 percent. It is evident that the OBC category benefits the most out of this programme.

A proper working condition is a primary necessity for ensuring safety and efficient condition for workers which primarily in the case of women is much more critical. All the workers said that drinking water is available at the worksite, 98% said shade is provided for the one hour rest time and 557 (99.5%) workers said time for rest is allotted and 98% first aid box with adequate material for emergency treatment is available. 64% feel this facilities are adequate. All the workers said so far there has been no help to take care of neither children nor shade facilities for children. This is a serious matter of concern. In the interview and focus group discussions it was raised that they require more medical facilities, gloves/boot/ uniform, better tools and tarpaulin sheets at work site. Even there was request to change the working to 9.00AM to 4.00PM and in the interview 38 percent said the same. There is also demand for pension and increase wages by 8 percent and 2 percent respectively. As said by 17 percent workers, tools are provided by gram panchayat at the worksite but 80 percent bring their own tools. It was said sometimes they had to hire tools required for work. 16 percent workers point out that the tools are not easy for them to handle.

79 percent of the workers were aware that they had right to obtain a dated receipt for the application made by them demanding employment and they have exercised their right for a dated receipt. Majority (82%) is aware of the right to get wages on a weekly basis or in any case not later than a fortnight after the date on which such work was done. But only 30 percent have demanded it or received wages not later than a fortnight. The right to avail medical treatment in case of injury in the course of employment including cost of hospitalization if required and ex gratia payment in case of disability or death in the course of employment was exercised only by 15 percent. In the case of unemployment allowance only 5 percent exercised it. Majority (78%) of the workers said they did not get any training to use this tools, it is very much required to make them at ease with the tools used by men.

A unique feature of implementation of the Scheme is that there is total financial inclusion of each and every worker and to prevent corruption; that is, the wages are paid only into the individual bank accounts of workers, and no exception has been made till date. The survey points out that all the workers are paid through banks. This shows that all workers have bank account. Almost all the workers reported that they did not face any problem in operating their bank account. Rest (6%) has faced problems like they cannot use ATM cards and due to change in account numbers.

Timely payment of wages has emerged as one of the main challenges of Mahatma Gandhi NREGA over the last few years.

Weekly muster roll is a necessary and primary condition to ensure payment of wages within 14 days after start of work. 68 percent received dated receipt from the panchayat when they sought employment.

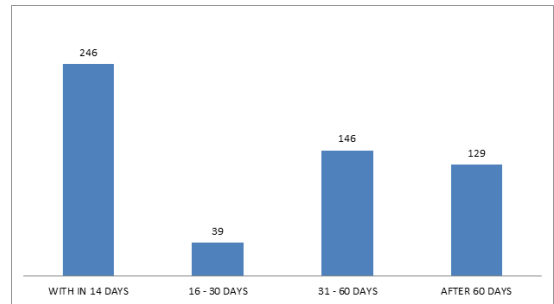


Figure: 2 Delay in payment of wages

Source: Computed- Field Data

There has been a prolonged delay in payment of wages as reported by 54% of the workers. Majority of the workers that is 246 (44%) reported that the wages were paid within a fortnight. It took 16-30 days to get wage in the case of around 7% (39) of the workers, for 26% (146) workers they received their payment within 31 to 60 days and 23% (129) could get their wage only after two months. 6% said they are not getting wages in full due to shortage of funds. 23% said the extent of delay goes beyond two months. Only 78% workers have got their wages fully and the remaining (22%) are yet to get their due amount. Some members (9%) have registered themselves in some unions whereas majority is not having membership in any union. The unions are inactive and as per registered members they are not getting any benefits from the union.

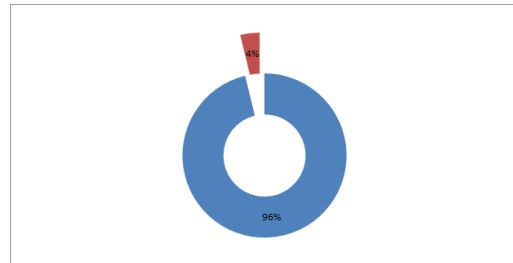


Figure: 3 Distance between residence and work place

Source: Computed- Field Data

The work should be made available within a radius of 5 km from place of residence of the participants as far as possible. The data indicates that only 4% had to travel more than 5 kilometers for the work provided. Around 46% of them had to travel within 3 KMs and half of the workers got work within 4 to 5 KMs. Thus, 96% of the workers under the scheme were able to get work within a radius of 5 km.

Possession of job card provides a legal entitlement and guarantee to seek job from the Panchayat. The survey finds that 99% of workers surveyed received job card. There is delay in the issuance of cards. For 61% workers it takes less than a fortnight between registration and job card issuance, for 33% it has taken 15 to 30 days and for 6% more than a month. All the workers are happy with the steps taken by the government to provide employment to the rural public. A paradigm shift could be observed with the advent of NREGA in the attitude of the people to work together in unskilled activities irrespective of class or creed. During the starting stage there were some hesitation to work in the public but now everyone is happy to do so. The family is supporting to attend the programme as it's an opportunity for the women to earn. The programme has made them to be more civic conscious and has empowered them to be more

active in social activities.

SUGGESTIONS AND CONCLUSION

The historical importance of MGNREGS unlike any other wage employment programme in the past is the provision of legal entitlements along with the employment. The advantage of this eligibility is the rights provided to the individuals to demand a job without waiting for the will of the administration. Mahatma Gandhi NREGS is a landmark legislation in the history of the social legislation in the Country. It is now quite clear that MGNREGS has been able to bring about substantial changes in the lives of many. The study reveals that despite numerous problems, the programme has begun to make a difference in the lives of women.

The workers under MGNREGS should be provided with facilities at the worksite like drinking water, crèche, shade, first aid kit and a caretaker for childcare facilities. Majority of the respondents are not provided with any facilities at the worksite. The respondents feel this condition to be difficult as it creates an extra burden for them. The study shows that none of the respondents got the facilities for childcare and more over the respondents are not getting adequate facilities at the worksite. The scheme has improved the lives of the people and has brought stability and assured income to the families. The programme has enriched the people to have better savings. The income generated from the programme has been used for the family, especially education of children. It has enabled the women to spent amount earned by themselves to their family. The respondents are willing to work continuously under the scheme, but they are not getting the work on time even after submitting their demand. The programme has increased the purchasing capacity of the people. The income has been utilized to buy home appliances or such products required for the family. The current implementation of the programme to be assessed critically and more precision guided execution should be made to avert flaws in future.

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