



## Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on the touchstone of Social Security

### KEYWORDS

Mgnrega ,Social Security, Employment Generation, Quality Of Work Life, Migration

### Dr. Pardeep Jain

Professor, Department of Management, Sant Longowal Institute of Engineering and Technology, Longowal, Distt. Sangrur, Punjab.

### Er. Raminder Jit Singh

Research Scholar, Sant Longowal Institute of Engineering and Technology, Longowal, Distt. Sangrur, Punjab.

### ABSTRACT

*The objectives of MGNREGA is to stem the tide of migration from villages to cities so as to reduce the economic pressure on urban areas and yet at the same time make rural economy vibrant and self-sustained through creation of durable assets. The Act of the Govt. has given statutory status to the programme by Guarantying 100 days of employment to a rural household whose adult members are willing to work or volunteer to do unskilled manual labour. Social Security for unorganised sector in India vis-à-vis the impact of MGNREGA has to be assessed on the parameter of employment generation, impact on migration, impact on quality of life particularly those belonging to BPL families and participation of women. The scheme no doubt has immense scope and impact and results in social security aspect are encouraging if the aberrations here and there are taken into stride.*

### Introduction:

NREGA : Rechristened as MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Programme) is a flagship programme of the Indian Government which marks a paradigm shift from the employment programmes launched earlier by the Govt. of India. The Act of the Govt. has given statutory status to the programme and has the following salient provisions:-

- (1) Guaranteed 100 days of employment to a rural household whose adult members are willing to work or Volunteer to do unskilled manual labour.
- (2) Only productive works are envisaged to be taken up under the programme which may contribute towards social equity and their ability to create permanent assets. All works and transactions are subject to social audit by the Gram Sabha or appropriate village level committees.
- (3) Wages may be paid in cash or kind with a provision for deduction to the extent of 5% for the benefit such as health insurance, accident insurance maternity benefits and social security schemes. The state councils constituted as per provisions of the Act can make guidelines and recommendations qua the wage determination and payment.
- (4) Job is to be provided within a radius of 5 km of the registered household. Special provisions are mandated at worksites to look after children under the age of six year and women engaged under the Act.
- (5) There is a provision of payment of compensation if the registered household is not provided employment or job within days of making the request for job after issuance of Job card and registration. This provision is conspicuous for its role in maintaining sustainability of livelihood in rural areas.

### The scheme comes with two important riders-

- (a) Public works programmes should generate productive assets which directly improve rural assets. Creation of durable assets which act as engines of growth is the prime aim.
- (b) Manual labour component in works taken up under the scheme should constitute at least 60 % of the total expenditure.

### NREGA The Culmination of Employment Schemes:

launched in the year 2006 NREGA is culmination of various rural Wage Employment Programmes such as Nation Rural Employment Programme(1980),Rural Landless Employment Guarantee Programme (1983), Jawahar Rozgar

Yojana(combining NREP & RLEG) (1989), Employment Assurance Scheme (1993) Jawahar Gram Samridhi Yojana (1989), Sampooran Gramin Rozgar Yojana(merged EAS& JGSY,2001), Food for Work Programme (2004).

The Thrust areas of the Programme: Census data shows that nearly 68.84 % of India's population still resides in rural areas. Agriculture is clearly the backbone of rural economy and unfortunately agriculture in India is subject to seasonal vagaries of weather and can be characterized as a "Gamble in Monsoon". 68% of the net sown area is rain fed. Because of the seasonality it was presumed by the law makers that guaranteed public employment for 100 days in a rural household would guarantee security of livelihood as during the harvest season, labour demand is manifold as compared to the lean season when labour demand is low. Nevertheless, the thrust areas of MGNAREGA are -

- i) Reducing or alleviating chronic rural poverty.
- ii) Addressing the problem of
  - a) drought
  - b) Deforestation
  - c) Soil erosion etc.
- iii) Generating productive and durable rural assets.
- iv) Protecting the environment.
- v) Empowering rural women.

This clearly is a magnanimous task to be accomplished through collaborative partnership right from Gram sabha to Central Govt. with community participation by way of....

- (i) Gram Sabha
- (ii) Local Vigilance and monitoring committees.
- (iii) Self help groups.

At official level, the organisation has been set up from right at the level of village, block, district, state and the Centre. The original tenth plan allocation for the scheme stood at Rs. 11,300 crore.

JOURNEY SO FAR: At the official level the scheme has embedded inbuilt monitoring and evaluation mechanism at every layer of implementation including online Monitoring and Information System (MIS). Monthly and periodical data is updated by the dist. level co-ordinators. As per the data generated through MIS at the all India level the status of employment generated during the financial year 2011-2012 is as under -

**EMPLOYMENT GENERATED DURING THE FINANCIAL YEAR 2011-2012**

S No.	Cumulative No. of Households issued Job Cards	Cumulative No. of households provided employment	Cumulative No. of households completed 100 days
1	124199871	50523479	4083935

Table No.1 (Culled from M.I.S data Ministry of Rural Development Govt, of India (4))

**LABOUR CLASSIFICATION (MGNREGA REGISTERED)**

S No.	Households Registered	BPL Households	Small Farmer	Marginal Farmer	Scheduled Castes	Scheduled Tribes
1	124895807	118114783	2175356	1044825	26455629	17408973

Table No. 2 (culled from MIS data (ending Sept ,2012) Labour Classification. (4))

Perhaps one of the earliest studies on impact of NREGA as it was called then was carried out by the Institute of Applied Manpower Research, Delhi in twenty districts (selected from the 200 districts in which MGNREGA was implemented in first phase spread over whole of India.) The districts selected were (Barabanki and Sonbadra (UP), Sirsa (Haryana), Karauli (Rajasthan), Medak (A.P), Davanagare (Karnataka), Palakked (Kerala), Kishangunj, Munger (Bihar), Gumla, Ranchi (Jharkhand), Sambalpur, Sundergarh (Orissa), Malda (West Bengal), Bandra (Maharashtra), Dahod (Gujrat), Jabua (M.P), Bilaspur (Chattisgarh), North Lakhimpur (Assam) & South Garo Hills (Meghalaya). As per the survey of the 5997 registered persons 5525 presented themselves for the jobs and 5528 were offered employment But only 272 beneficiary households could get 35 days of work employment which was much less than the stipulated 100 days of employment generated under the Act. (The figure as to no. of households which completed 100 days of employment in the year 2012-2013 as on Sept30, 2012 in the whole of India stands at 8.667 lakhs as per the report of the governing ministry)

The households in which women had a share of more than 33% in (1339 out of 5997 beneficiary household) the work allocation comes out to be healthy 22.32 % (if uncertain 548 household are ignored.) Women thus under MGNREGA have a healthy participation and they generate additional income for the family paving the way for social advancement and security.

Similarly distribution of income before applying for the job card and after getting employment under NREGS was found to be showing upward trend.

The IAMR (Institute of applied manpower research) Survey showed upward mobility of beneficiaries in income group of Rs. 10000 to Rs. 15000 and those having income less than Rs. 20000. Similarly there was an upward trend in terms of expenditure increased on food items by the beneficiaries. Similar but less conspicuous trend was observed in spending on non- food items. The beneficiaries preferred to acquire live stock during the year vis a vis saving in banks or spending on house hold articles as far as acquisition of movable and immobile assets is concerned. Clearly in rural economies income from livestock or cattle rearing can augment the family income and this too is a healthy sign. (5)

**MIGRATION AND MGNREGA** One of the important objectives of MGNREGA is to stem the tide of migration from villages to cities so as to reduce the economic pressure on urban area and yet at the same time make rural economy vibrant and self-sustained through creation of double assets. The survey showed that in 1502 out of 5997 cases a household migrated to a town in search of work though only 20% of the beneficiaries opined that wages upon migration were more than local wages. The results were thus not as encouraging as expected as far as checking the tide of migration is concerned.

As far as out migration is concerned, the states of Bihar and Jharkhand offer a distinctive test case. These two states are

**SOCIAL SECURITY AND MGNREGA:** Social Security for unorganised sector in India vis-à-vis the impact of MGNREGA has to be assessed on the parameter of employment generation, impact on migration, impact on quality of life particularly those belonging to BPL families, Participation of women (as working women generate additional livelihood income for a household). The following table depicts a broad overview of the labour classification-

characterised by distress migration (through mainly temporary) to the North of India during harvesting and sowing season. There is a high incidence of rural poverty and economic distress during the season of agriculture cycle. In a study carried out by the Institute of Human Development, New Delhi which was sponsored by Ministry of Rural Development, Govt. of India and United Nations Development Programme published in the year 2008 the role of MGNREGA in checking out migration was critically examined and it was observed that the migration came down by 12 percentage points among the beneficiaries in Bihar. Both the states exhibited lower level of migration among the beneficiary households than the non beneficiary households. The relatively lower level of out migration among the beneficiaries is attributed to the availability of jobs under the NREGA for wage employment in their surroundings. Needless to say that migration from these states is predominantly out of the state and under distress.

The basic amenities such as electricity, in-house toilet, drainage, pucca house enjoyed was more in terms of percentage among the surveyed beneficiaries as compared to non beneficiaries in both the states. Similarly both the states showed considerable participation women in work. But the states fared poorly as far as person days generated during the year 2007-2008 is concerned. Which was much below 30 person days. NREGA income in Bihar is approximately 8% of total income of the beneficiaries where as this percentage is meagre 2.41% of the total annual income of a beneficiary household in Jharkhand. Here also the major spending from NREGA income was on food items and terms of daily consumption.

Rural indebtedness is characterised by expenditure during lean season of the agriculture and on short term loans for food, medicine and family function etc. The reduction in %age of households in debt among the beneficiaries in the year 2008(31.37%) as compared to the year 2006 (38.32%) in Bihar indicate strongly that MGNREGA has contributed in reduction in rural indebtedness.

But some of the studies carried out in one of most vulnerable states of India like Orissa exhibit distressing picture. According to one such report ( Centre for Environment and Food Security (CEFS) Survey conducted in 100 villages from six districts of KBK (Kalahandi-Bolangir-Koraput) region - Bolangir, Nuapada, Kalahandi, Koraput, Nabarangpur and Rayagada) "The Rural Employment Scheme" has made virtually zero impact on the livelihood security of Orissa's rural poor. There is no let up in the level of distress migration of Adivasis and Dalits from Orissa's KBK (Kalahandi- Bolangir-Koraput) region in search of livelihood in other parts of the country. On the Human Development Index, many of the sub-Saharan villages would fare better than most of the KBK villages."

Across all age spectrums, people enrol and work for NREGA activities. While this is a positive sign, the root causes for people's approach needs to be evaluated. It may not be a

good sign to encourage young people in age group 18-30. The youth might be productive for the current scope of work but definitely may not be contributing to activities that might contribute to build future India. Enrolment of older people in large numbers on the other hand may jeopardise the efficiency and productive output in work execution. Participation of women in MGNREGA is encouraging and it can safely be concluded that their participation ensures increased family income as men folk can engage themselves in productive employment elsewhere.

**CONCLUSION:** The scheme no doubt has immense scope and impact and results in social security aspect are encouraging if the aberrations here and there are taken into stride. The government should strictly discourage educated people from performing any unskilled work. Significant proportions of educated people get involved in all categories including college graduates. College graduates were considered in Dindugal, Kanchipuram and Thiruvallur district. (7) "Instead of employing these people for unskilled

work, they can be utilized for jobs that would justify their educational qualifications. The system should evolve to incorporate the interests of qualified stakeholders instead of involving them in operational activities." Implementation of MGNREGA in comparatively affluent states of Punjab and Haryana which is the destination of migrants during harvesting and sowing season is also being watched closely. The successful implementation of the scheme elsewhere may stem the tide of temporary migration resulting in costly labour in these states during peak agricultural season which in turn may lead to quantum leap in market determined wage rates making the Minimum Wages under the Act less attractive for local unskilled labour and this might lead to disenchantment of beneficiaries during lean season causing intra state migration from rural to urban areas. Further in schemes of the magnitude of MGNREGA it won't be practical to expect uniformity in delivery and execution but certain safeguards have to be standardised and parameters fixed so as to increase efficacy of this magnanimous Programme.

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