



Performance of Mahatma Gandhi National Rural Employment Guarantee Act In Generating Employment: an Empirical Study in Davangere District of Karnataka

KEYWORDS

Employment Programme, MGNREGA

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ABSTRACT MGNREGA goes beyond poverty alleviation and recognizes employment as a legal right. In this backdrop this study has been under taken with the specific objective of empirical verification of the researchable issues. This study is based on the primary data collected from the beneficiaries of the programme during 2010-11. Majority of the beneficiaries are small farmers and land less labours and at the same good number of large farmers, self-employed persons, business people are included in the beneficiaries list. More than that, many respondents who are not willing and actually doing the unskilled manual work are included in the beneficiaries list. Further, the study reveals the fact that NREGS's works have been successfully completed but the employment has not generated to the extent of the records.

1. Background of the Study

During last few decades' government intervention in the labour market as an employer of the last resort has become an integral part of poverty alleviation programme in India. The wage employment programmes like National Rural Employment Programme (NREP), Rural Land Less Employment Guarantee Programme (RLEGP) Jawahar Rojgar Yojana (JRY) and other such programmes could not fulfill their objectives due to the challenges involved in their implementation. One of the major challenges in delivering benefits of anti-poverty programs to the poor is the threat of program capture by the non-poor.

Government of India has implemented the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in February 2006 to overcome the problems involved in implementing wage employment programmes. The scheme is based on the Act which was passed by the Indian parliament in September 2005. MGNREGA goes beyond poverty alleviation and recognizes employment as a legal right. The main intension behind making such paradigm shift from all precedent wage employment programmes is to provide an economic safety net to the rural poor. But in reality there are many allegations against the MGNREGA which lead to the apprehension about its effectiveness in reaching the poor.

The scheme, being recently introduced renewed interest in evaluating the effectiveness of such programmes in terms of providing an economic safety net to the rural poor through the employment generation. There is little research that has been conducted on its effectiveness in terms of meeting its stated goals. In this backdrop this study has been under taken with the specific objective of empirical verification of the researchable issues like: Is it reaching to the needy people? Are the beneficiaries of NREGS really benefited? Is it really a demand driven Programme? The scope of the study is restricted to Davangere district due to time and resource constraints. Davangere is one of the five districts of Karnataka state in which this programme is implemented in the first stage. At present, this programme is being implemented in 30 districts of Karnataka state

2. Methodology

The people of Davangere district who have been reported to be provided the employment under the NREGA during 2010-11 were considered as the beneficiaries of NREGA in the district. This study is based on the primary data collected from these beneficiaries through the interview conducted by the field investigators. The field investigators were selected in such a way as to collect the data from their neighbors. The post graduate students and research scholars of economics subject who are living in the different Gram panchayath area of Davangere district were selected for the field investigation. Six field investigators collected the list of households provided employment under NREGA during 2010-11 from their respective Gram Panchayath through the website <http://www.nrega.nic.in>.

Kodaganur, Kurki and Kakkargolla Gram Panchyaths from Davangere taluk, Anabur from Jagalur taluk, Belliganur from Channagiri taluk and Kanchikeri gram panchyath from Harapanahalli taluk were selected for the study. From each gram panchyath 25 respondents were randomly selected. But, the number of households actually interviewed varies across the panchayath according to the availability of the respondents and their co-operation in providing the data. Field investigators were trained to collect the data from any one member of the household who is reported to be worked under NREGA during 2010-11 through the well structured pre-tested schedule. Simple tabular analysis was employed for the analysis of the data.

3. Major Findings

The data collected from the respondents have been analysed and results are presented in tabular form. Respondents were classified into different category based on their main occupation and results are given in table-1. Majority of the NREGA's beneficiaries reported that their main occupation is agriculture (39.8%) followed by agriculture labour (34.4%). Self employed persons like business men, contractors, tailors and skilled workers like carpenter, mason, and drivers' accounts for 9.7 and 8.6 percent of respondents' respectively. One of the respondent's main occupation reported to be lecturer in a college. One more respondent

reported that he is a retired teacher drawing pension from government.

'Table-1: About here'

Further, respondents have been classified into four groups based on the size of their families land holding ie. Small (<5 ac), Medium (5-10 ac), Large farmers (>10 ac) and land less families. Majority of the respondents (59.13%) are belonging to the households whose farm size is small. Twenty respondents (21.5%) are reported to be belonging to land less family. Five respondents (5.37%) reported that they belong to large size holding.

Respondents were asked about their willingness to participate in unskilled manual work outside the MGNREGA and their actual participation in such works. Results are given in Table-2. More than 1/3 beneficiaries responded that they are not willing to participate in unskilled manual work. The percentage of respondents not willing to participate in unskilled manual work is highest among the beneficiaries whose main occupation is self-employment (100%), Government employees (100) followed by skilled workers (62.5%) and agriculturist (48.6%). The chi-square value calculated to test the significance of association between the main occupation of the respondents and their willingness to participate in unskilled manual work (41.470) was found to be statistically significant at one percent probability level. Hence, it could be inferred that the willingness of respondents to participate in the unskilled manual work depends on the main occupation of the respondents.

'Table-2: About here'

Respondents who have done unskilled manual work outside the MGNREGA at least for a week during 2010-11 are considered as participated otherwise as not-participated. Respondents participation rate in unskilled manual work outside the MGNREGA was found to be very low (58.1%). The main occupation wise respondents' participation rate in unskilled manual work outside the NREGS is very close to their willingness except the respondents whose main occupation reported to be housewife and old age.

Participants in the unskilled manual work outside the NREGS were asked about the availability of such job throughout the year and wage rate in such jobs. Results are given in the table-3. Majority of the respondents (44 out of 54 respondents) who are willing and actually doing unskilled manual work could not find such job throughout the year and the wage rate is slightly lower than that of the wage rate fixed for the MGNREGA's work. In this background MGNREGS's work is supposed to be quite attractive to the people who are willing and actually doing unskilled manual work.

'Table-3: About here'

Beneficiaries of NREGS will be really benefited if they actually work under the scheme. Hence, beneficiaries were asked about their actual participation in NREGA's work. Further, Majority of the respondents accepted that they have actually worked under NREGA whereas few respondents told that they have not actually done the work.

4. Conclusion

Majority of the beneficiaries are small farmers and land less labours and also a good number of large farmers, self-employed persons, and business people are included in the beneficiaries list. The study has observed the significant association willingness to participate in unskilled manual work and main occupation of the respondents.

There were few beneficiaries who have not actually done the work. They favored the informal contractors' way of executing the NREGS's work. Most important justifications for such support are; they execute the work for the benefit of their village. Thus the NREGS's works have been successfully completed but the employment has not generated to the extent of the records.

Table-1: Farm Size and Main Occupation wise Distribution of Respondents

Main Occupation	Land Less	Small (<5)	Medium (5-10)	Large (>10)	Total
	Agriculture	01 (5.0)	24(43.6)	09(69.2)	03(60.0)
Agriculture labour	14(70.0)	18(32.7)	00(0.0)	00(0.0)	32(34.4)
Self Employed	01(5.0)	03(5.5)	04(30.8)	01(20.0)	9(9.7)
Skilled Worker	02(10.0)	06(10.9)	00 (0.0)	00(0.0)	8(8.6)
House Wife/aged#	02(10.0)	04(7.3)	00 (0.0)	00(0.0)	6(6.5)
Govt. Employees	00(0.0)	00(0.0)	00 (0.0)	01(20.0)	1(1.1)
Total	20(100)	55(100)	13 (100)	05(100)	93(100)

Note: Figures in parenthesis are percentage to the respective column total

indicate the respondents who are not doing any work due to disability caused by old age.

Table-2: Willingness and Participation in Unskilled Manual Work outside NREGS

Main Occupation	Willingness		Participation		Total
	Willing	Not-Willing	Participated	Not-Participated	
Agriculture	19 (51.4)	18 (48.6)	18 (48.6)	19 (51.4)	37(100)
Agriculture labour	32 (100)	0 (0.0)	32 (100)	0 (0.0)	32(100)
Self Employed	0 (0.0)	9 (100)	0 (0.0)	9 (100)	9(100)
Skilled Worker	3 (37.5)	5 (62.5)	3 (37.5)	5 (62.5)	8(100)
House Wife/aged#	5 (83.3)	1 (16.7)	1 (16.7)	5 (83.3)	6(100)
Govt. Employees	0 (0.0)	1 (100)	0 (0.0)	1 (100)	1(100)
Total	59 (63.4)	34 (36.6)	54 (58.1)	39 (41.9)	93(100)
Chi-square Value	41.470*		43.916*		

Note: Figures in parenthesis are percentage to total respondents in the respective occupation

* indicate significance at 1 percent probability level.

indicate the respondents who are not doing any work due to disability caused by old age.

Table-3: Availability of Unskilled Job throughout the Year and Wage Rate

Main Occupation	No of Participants	Availability of Unskilled Job		Average Wage	F value
		Available	Not-Available		
Agriculture	18	03	15	86.1	0.534
Agriculture labour	32	07	25	92.1	
Skilled Worker	03	00	03	93.3	
House Wife	01	00	01	80.0	
Total	54	10	44	90.0	

References

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