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## ROLE OF MGNREGA IN RURAL EMPLOYMENT: A REVIEW

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### ABSTRACT

The Government of India initiated many employment generating programmes to address unemployment problem in rural area, however it remains major challenge to India's development. The Mahatma Gandhi National Rural Employment Guarantee Scheme one of major flagship initiative which enhances the employment opportunity at rural area. The MGNREGA aims at to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. Many research studies revealed that programmes have major impact on rural area, present paper outline the role of major employment programme in rural area.

**KEY WORDS:** Employment, Livelihood, Rural, Programme

### INTRODUCTION

Rural development remains one of the major challenges to policy makers of country, government moving towards to eradicate maladies in rural area and create livelihood security to people. As Gandhi stated India lives in its villages, India village dominated society which more than 68 percent of population resides in rural area, country should provides employment

facilities to all people. A majority of the poor in rural areas of the country depend mainly on the wages for their life, they earn through unskilled labour. They are often on threshold levels of subsistence and are vulnerable to the possibility of sinking from transient to chronic poverty, in the event of inadequate labour demand or in the face of unpredictable crises that may be general in

nature like natural disaster or personal like ill-health, all of which adversely impact their employment opportunities.

The Government has been implemented many wage employment programmes that offered wage employment on public works on minimum wages at rural area. The wage employment programmes started as pilot projects in the form of Rural Manpower Programme (RMP) [1960-61], however the first full-fledged wage-employment programme government launched in 1977 in the form of Food for Work Programme (FWP), In 1980's this programme was further streamlined into the National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP) Other major employment programmes were Jawahar Rozgar Yojana (JRY1993-94), Employment Assurance Scheme (EAS). The Jawahar Rozgar Yojana (JRY) was merged with Jawahar Gram Samridhi Yojana (JGSY) from 1999-2000 and was made a rural infrastructure programme. The programme was merged with Sampoorna Grameen Rozgar Yojana during the year 2001-02.

### OBJECTIVES OF THE STUDY

- ☞ To know the object and implications of MGNREGA act in rural area
- ☞ To study some key achievements done under MNGNREGA scheme
- ☞ To review the role of the scheme in rural employment generation

### METHODOLOGY

Present study based on exclusively secondary data only, the desk research method has been adopted, the data for study collected from various sources including annual reports of Rural Development ministry, government publications, various reports, journals, books, department websites etc.

### THE MGNREGA: AT A GLANCE

The Mahatma Gandhi National Rural Employment Guarantee Act is one of significant employment act; it is the largest rural employment programme in the world. With it's the right based approach and legal framework act was passed September 2005. The MGNREGA aims at to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The MGNREGA is the first ever law, internationally, that guarantees wage employment at an unprecedented scale. The primary objective of the Act is meeting demand for wage employment in rural areas. The Act started functioning in 200 districts in the first phase with effect from February 2nd 2006 and then extended to additional 130 districts in the financial year 2007-2008; the remaining districts have been notified under the NREGA with effect from April 1, 2008. Thus NREGA covers the entire country with the exception of districts that have a hundred percent urban population. In 2<sup>nd</sup> October 2009 NREGA has been renamed as Mahatma Gandhi National Rural Employment Act.

### Salient Features

- Adult members of a rural household, willing to do unskilled manual work, may apply for registration in writing or orally to the local Gram Panchayat
- The Gram Panchayat after due verification will issue a Job Card. The Job Card will bear the photograph of all adult members of the household willing to work under NREGA and is free of cost; The Job Card should be issued within 15 days of application.

- A Job Card holder may submit a written application for employment to the Gram Panchayat, stating the time and duration for which work is sought. The minimum days of employment have to be at least fourteen.
  - The Gram Panchayat will issue a dated receipt of the written application for employment, against which the guarantee of providing employment within 15 days operates
  - Employment will be given within 15 days of application for work, if it is not then daily unemployment allowance as per the Act, has to be paid liability of payment of unemployment allowance is of the States.
  - Work should ordinarily be provided within 5 km radius of the village. In case work is provided beyond 5 km, extra wages of 10% are payable to meet additional transportation and living expenses
  - Wages are to be paid according to the Minimum Wages Act 1948 for agricultural laborers in the State, unless the Centre notifies a wage rate which will not be less than Rs. 60/ per day. Equal wages will be provided to both men and women.
  - Wages are to be paid according to piece rate or daily rate. Disbursement of wages has to be done on weekly basis and not beyond a fortnight in any case. At least one-third beneficiaries shall be women who have registered and requested work under the scheme.
  - Work site facilities such as crèche, drinking water, shade have to be provided
  - Shelf of projects for a village will be recommended by the gram sabha and approved by the zilla panchayat.
  - At least 50% of works will be allotted to Gram Panchayats for execution, the 60:40 wage and material ratio has to be maintained. No contractors and machinery are allowed
  - The Central Government bears the 100 percent wage cost of unskilled manual labour and 75 percent of the material cost including the wages of skilled and semi skilled workers
  - Social Audit has to be done by the Gram Sabha and all accounts and records relating to the Scheme should be available for public scrutiny.
- The works permissible under scheme are water conservation and water proofing, drought proofing (including plantation and afforestation), minor irrigation horticulture and land development on the land of SC/ST/BPL/IAY and land reform beneficiaries, irrigation canals including micro and minor irrigation works, flood control and protection works, renovation of traditional water bodies including desilting of tanks and rural connectivity etc.

### Key Achievements under Scheme

Since from its inception the programme playing significant role in rural area through creating livelihood facilities and strengthening community asset by active participation of rural masses. The Rural Development ministry and various research studies enumerates some key achievements of the MGNREGA

- Since its inception in 2006, around \$ 1, 29,000 crores have been disbursed directly as wage payments to rural households.

- 1348 crores person-days of employment have been generated
- On an average; five crores households have been provided with employment every year since 2008.
- Scheduled Castes and Scheduled Tribes have accounted for 51% of the total person-days generated.
- Women have accounted for 47% of the total person-days generated. This is well above the mandatory 33% as required by the Act. As is evident, when the women earn, the family gets its benefit. When family is benefitted, the society develops.
- Since the beginning of the programme, 146 lakhs works have been taken up under the Act.
- Average wage per person-day has gone up by 81% since the Scheme's inception, with State level variation. The notified wage today varies from state to state.

### **Role of Programme in Rural Employment**

Many studies revealed that The MGNREGA has positive impact on rural area in terms of creating employment opportunities and providing livelihood facilities, 1421 crores person days of employment has been generated under scheme. On average five crore households have been provided with employment every year since 2008. The Scheduled Caste and Scheduled Tribe population have been accounted for 51 percent of total person days employment generated. Because of the self selection effects generally dominated, the net result is that MGNREGA targeting poor and SC/ST households. Many studies reported that the MGNREGA wage helps to avoid hunger and decreased seasonal

migration in rural area. The women workforce participation under the Scheme has surpassed the statutory minimum requirement of 33 per cent and the trends indicate an increase in the participation rate at the national level. Since inception, every year women participation has been around 48%, it help to women sustainability. Since the beginning of the programme total number of work taken up account to 182 lakhs.

In 2012-13, 4.16 crore households were provided employment and 141 crore person-days of employment were generated. Increasing Outreach to the poor and marginalized, self targeting in nature, the programme had high work participation from marginalized groups like SC/ST (38%), Women (53%). The MGNREGA has reduced the traditional gender wage discrimination, particularly, in the public works sector and has had a positive impact on the socio-economic status of the women. The programme with its inter-sectoral approach opens an opportunity for convergence with different programmes with an aim to optimize public investment

### **CONCLUSION**

Providing an employment opportunities and poverty alleviation remains one of great challenge to developing countries like India, however government attempts to overreach the problems of rural area. There are ample examples envisages the MGNREGA playing pivotal role in rural employment generation and enhancing the rural livelihood. It is one of major wage employment initiative which provides at least hundred days of employment in rural area. The Panchayat Raj institutions played leading role to planning and implementation of the programme. The

women participation ratio in programme has been increased good level. MGNREGA help generating wage employment in rural area.

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