

Mahatma Gandhi National Rural Employment Guarantee Program Situation during Covid-19- A Study

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ABSTRACT:- Mahatma Gandhi National Rural Employment Guarantee, The scheme provides a legal guarantee for at least 100 days of paid employment in every financial year to adult members of any household willing to do unskilled manual work related to public work at the statutory minimum wage of **120 per day in 2009 prices**. All adult members of a rural household willing to do unskilled manual work have the right to demand employment. Such a household will have to apply registration to the Gram Panchayat. After verification, the Gram Panchayat will issue a Job Card with photograph of all adult members of the household willing to work under the programme. On 15 April, 2020, the Ministry of Home Affairs issued an order allowing select activities to be restarted from 20 April onwards. This included activities related to the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) or NREGA. Since the partial lifting of the lockdown in some parts of the country, various state governments have started NREGA activities in some measure. As migrant workers across the country return to their villages, rural India's dependence on NREGA wages for survival is expected to increase manifold. **Low wage rate:** The low wage rates have resulted in lack of interest among workers in working for MGNREGA schemes, making way for contractors and middle men to take control, locally. **Insufficient budget allocation:** MGNREGA's success at the ground level is subject to proper and uninterrupted fund flow to the states. But the fund allocation is insufficient to ensure proper implementation on the ground. **Regular payment delays:** Despite the order of the Supreme Court and initiatives and GO (Government Order) by the Union Ministry of Finance, no provision has yet been worked out in the MIS for calculation of full wage delays and payment of compensation for the same. Now, the focus has to be on getting people, including the migrant labourers, back to normal work.

Also, it may be inferred that above suggestions, if taken care of, will definitely make MGNREGA a real instrument for overall rural upliftment, in general & improve the lot of the rural poor s, in particular.

KEY WORDS:- *MNREGA, MAHATHMA GANDHI, INDIVIDUAL BENEFITS SCHEME, CIVIL SOCIETY ORGANISATIONS, PM GARIB KALYAN YOJANA.*

INTRODUCTION

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a job guarantee scheme for rural Indians. It was enacted by legislation on **25 August 2005**.

The scheme provides a legal guarantee for at least 100 days of paid employment in every financial year to adult members of any household willing to do unskilled manual work related to public work at the statutory minimum wage of **120 per day in 2009 prices**.

If they fail to do so the government has to pay the salary at their homes. The central government outlay for the scheme was 4000 billion in the financial year **2010–11**.

This act was introduced with the aim of improving the purchasing power of semi- or un-skilled rural people of India, irrespective of whether or not they fell below the poverty line.

Around one-third of the stipulated work force is women. The law was initially called the National Rural Employment Guarantee Act (NREGA) and was renamed with the prefix "**Mahatma Gandhi**" on **2 October 2009**, **Gandhi's birth** anniversary.

In the year of 2011, the program was commonly criticized as no more effective than other hardship decrease programs in the country of India. Regardless of its finest objectives, popular MGNREGA is beset with debate about damaged authorities, lack funding as the source of resources, low quality of facilities designed under

this program, and random dangerous impact on hardship.

SALIENT FEATURES OF THE ACT

The salient features of the Act are as follow:

- All adult members of a rural household willing to do unskilled manual work have the right to demand employment.
- Such a household will have to apply registration to the Gram Panchayat.
- After verification, the Gram Panchayat will issue a Job Card with photograph of all adult members of the household willing to work under the programme.
- The Job Card must remain in the custody of the household.
- Job Cardholder can apply for work to the Gram Panchayat which will issue him/her a dated receipt of the work application.
- Employment will be provided by the Gram Panchayat (local self-governing body) within 15 days of work application, failing which unemployment allowance will be paid.
- Disbursement of wages has to be done weekly basis and not beyond a fortnight.
- Wages will be paid at the wage rate to the wage earners through their Bank/Post office accounts.
- An annual shelf of works to be prepared in advance for each year.
- A ratio of 60:40 for wage and material costs should be maintained at the GP level.
- No contractors/and no labor-displacing machinery shall be used in the execution of works.
- Panchayath Raj Institutions will have a principal role in planning, monitoring, and implementation.
- At least one-third of the workers should be women.
- Inbuilt incentive-disincentive structure to the State Government for guaranteeing employment.

ANALYSIS

On 15 April, 2020, the Ministry of Home Affairs issued an order allowing select activities to be restarted from 20 April onwards.

This included activities related to the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) or NREGA.

Since the partial lifting of the lockdown in some parts of the country, various state governments have started NREGA activities in some measure.

As migrant workers across the country return to their villages, rural India's dependence on NREGA wages for survival is expected to increase manifold.

If we expect NREGA to effectively reduce rural distress, some changes will have to be made in its design and implementation for as long as rural communities grapple with the economic aftershocks induced by the pandemic.

Drawing on our experience at PRADAN, we recommend the following reforms to effectively strengthen the role that NREGA can play in responding to the COVID-19-induced crisis.

Individual Benefitting Schemes (IBS)

Work schemes that can be taken up by individuals and small groups of 4-6 workers must be prioritized.

Across many parts of the country, preparation for the kharif season will be underway soon, and individual schemes such as repairing and strengthening bunds on land used for paddy cultivation and fencing of croplands can be introduced.

Additionally, schemes for building individual assets such as goat and poultry sheds, dug wells, and farm ponds should also be given priority.

For as long as the lockdown continues, work schemes that are relatively less material-intensive should be taken up, as it is difficult to ensure material procurement at worksites.

The Number of Work Schemes

Currently, there are only 2-3 work schemes running per panchayath, which is leading to the crowding of workers at worksites.

To prevent this and to ensure that all willing households are able to access employment through NREGA, the number of schemes needs to be increased and 6-8 schemes must be introduced in each village.

Pay Workers

Rural households urgently need cash-in-hand, and so the emerging demand is for immediate payment to workers. NREGA payments are frequently delayed by weeks or months. Given the circumstances, such delays will be entirely counterproductive.

It is recommended that in remote areas, wage payments should be made in cash, and paid on the same day. In other areas, they must be ensured within a week of submission of muster rolls.

To facilitate this, panchayath—who are the implementing agencies for NREGA can be advanced a revolving fund of Rs 20 lakh which can be used to pay workers.

Workloads

In compliance with COVID-19 guidelines, workers are wearing masks and other forms of face protection. NREGA works typically involve hard physical labour and workers are finding it challenging to breathe comfortably while working.

Consequently, for as long as workers are required to wear masks, the daily volume of work assigned to them must be reduced.

A time and motion study needs to be conducted immediately to determine the number of hours of work that can be safely carried out while wearing a mask.

All NREGA work sites must be adequately stocked with the necessary supplies, including water, soap, and sanitizer, to ensure workers' safety in compliance with COVID-19 safety and hygiene guidelines.

Wages

When the **PM Garib Kalyan Yojana** was announced, it included a relief measure for NREGA workers: The daily-wage rate would be increased from Rs 182 per day to Rs 202 per day, effective 1 April 2020. However, Jean Drèze points out that the central government has not actually allocated any additional resources to NREGA.

If NREGA wages are to effectively support rural households as they cope with this crisis, they must, at a minimum, be at par with states' agricultural wages. For example, the Government of Odisha has increased the daily-wage rate for unskilled manual work under NREGA to INR 298 per day in 20 migration-prone blocks of four districts.

This amounts to an additional amount of Rs 91 over and above the notified minimum NREGA wages in the state, which is Rs 207 per day. Other states must follow Odisha's lead, especially in vulnerable districts.

Guaranteed Days of Work

In light of the limited income-generating activities available in rural India, the number of days of work per job card should be increased from 100 person days per year to 200 person days per year.

This move will be especially valuable in blocks that have a high percentage of marginal and landless farmers, Adivasi households, and where migration is high particularly in the tribal belt of central India.

Here too, the Government of Odisha has set an example, by announcing that it will provide an additional 100 days of work, over and above the stipulated 100 days work mandated under NREGA in 20 vulnerable blocks.

Job Cards

Job cards should be issued to all those who demand NREGA work, within 24-48 hours of receiving an application for the same. In cases where job cards are in the custody of middlemen, these should be reissued immediately.

Single Women

Often, at NREGA worksites two people from a household will work on a scheme together the men dig the soil and their female counterparts take on the role of head loaders transporting the excavated soil.

In compliance with COVID-19 guidelines, the muster rolls that are currently being issued are limited to 5-6 workers.

While this ensures physical distancing at work sites, it is also resulting in a tendency to avoid enrolling single women workers who are seeking employment through NREGA.

Officers who receive demands for work and issue muster rolls must remain cognizant of this and special care must be taken to enroll single women in NREGA works.

Strengthen Delivery Mechanisms

For NREGA to function effectively, government departments must be adequately staffed to support the demand for work, oversee work sites, and make timely payments.

This means that people who are staffed to NREGA departments—engineers, supervisors, and others—need to be available for NREGA-related work. Since the announcement of the lockdown, the focus of the government machinery has shifted to providing relief.

While this is critical, it should not be at the cost of implementing NREGA.

Engage Civil Society

Civil society organisations (CSOs) have played a significant role in creating awareness within communities and building the capacity of frontline functionaries on **natural resource management** (NRM) under NREGA.

Therefore, experienced and capable CSOs should be engaged to create mass awareness and build the capabilities of frontline functionaries.

In 2019, the **Ministry of Rural Development** (MoRD) launched the Cluster Facilitation Project (CFP) in inspirational districts and other backward areas, with a view to leveraging NREGA and other livelihoods schemes to

reduce poverty. However, the CFP's focus on the use of GIS and remote sensing technologies for NRM planning greatly reduces the scope to generate demand for employment.

NREGA is a demand-driven programme and the government must not turn a blind eye to creating awareness about entitlements and participatory NRM planning processes.

It can draw on the learning's from the Cluster Facilitation Team project in Jharkhand in which CSOs partnered with the MoRD to streamline NREGA to redesign the newly-launched CFP.

Budgetary allocations

The central government's budgetary allocation of INR 61,500 crore to NREGA for FY 2020-21 is inadequate. It is even lower than the previous year's revised estimates of Rs 71,000 crore.

The thousands of migrant workers who are returning to their villages will soon begin searching for employment in their local areas.

This will undoubtedly result in an increase in the demand for NREGA work and the current budget allocations to the scheme will not be sufficient to meet this increased demand.

Echoing the recommendation from eminent activists and economists, an additional Rs 1 lakh crore needs to be allocated so that NREGA can act as a safety net and help rural households cope with the devastating impact of the lockdown.

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has been one of the main avenues for the Centre to provide employment to returning migrants and others in rural areas who have been rendered jobless due to the lockdown.

What is the current situation?

- MGNREGA continues to attract rural labourers pushed into distress due to the Covid-19 crisis triggering calls for increasing the mandatory workdays to 200 and raising the minimum wages under the scheme to Rs 600 per day.
- Data sourced from the MGNREGA website shows that in June 2020 around 43.7 million households sought work under the scheme that was the highest in last seven years, maintaining a trend seen in May as well.
- The surge in work demanded under the scheme comes after more than 20 million migrants returned to villages from the cities to avoid COVID-19 lockdown announced in March.
- To provide more work to the migrant laborers, the Central government in May raised the budget under the scheme by Rs 40,000 crore for 2020-21, taking the full year allocation for the scheme to over Rs 100,000 crore for the first time ever.
- The additional funds is meant to generate additional 0.2 billion person-days of work in 2020-21 over and above the budgeted 2.8 billion person-days.

Mandate of Mahatma Gandhi Employment Guarantee Act 2005 (MGNREGA)

- The mandate of the MGNREGA is to enhance livelihood security in rural areas by providing at least 100 days of wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work.

Problems facing MGNREGA

- **Low wage rate:** The low wage rates have resulted in lack of interest among workers in working for MGNREGA schemes, making way for contractors and middle men to take control, locally.
- **Insufficient budget allocation:** MGNREGA's success at the ground level is subject to proper and uninterrupted fund flow to the states. But the fund allocation is insufficient to ensure proper implementation on the ground.
- **Regular payment delays:** Despite the order of the Supreme Court and initiatives and GO (Government Order) by the Union Ministry of Finance, no provision has yet been worked out in the MIS for calculation of full wage delays and payment of compensation for the same.
- **Workers penalized for administrative lapses:** The ministry withholds wage payments for workers of states that do not meet administrative requirements within the stipulated time period. It is beyond any logic as to why workers would be penalized for administrative lapses.
- **The banking puzzle:** Due to great rush and poor infrastructure, the bank passbooks are not updated in many cases. Often, the workers do not get their wages during times of need due to the hassle and the cost involved in getting wages from the bank.

- **Faulty MIS data:** There is a growing pile of evidence on how real-time MIS has made MGNREGA less transparent for workers, reduced accountability of frontline functionaries and aided in centralization of the programme.
- **Non-payment of unemployment allowance:** There are a huge number of unemployment allowances being shown in the MIS currently.
- **Genuine job cards being deleted to meet 100% DBT targets:** While the government has been boasting about Aadhar-based savings, the reality is that a huge number of genuine job cards and ration cards are getting deleted and genuine people have been deprived of their due entitlements.

Suggestions:

- **Creation of awareness:** The awareness programmes should be organized at war footing in the rural areas for educating people about these special provisions, which can go a long way in bringing further improvements in the implementation of the programme.
- **Training of Gram Sabha & Panchayat members:** The specialized training programmes be organised in the rural areas preferably in the village panchayath so that these functionaries get proper training for the better execution of the works.
- **Exposure visits:** It is recommended that Gram Sabha and panchayat members should be sent for exposure visits to other states like Andhra Pradesh, Kerala where NREGA has done wonderful work.
- **Effective supervision:** To curb corruption & malpractices, it is a requirement that MGNREGA works are properly monitored and supervised.
- **Increase in wages:** The wage rates to be paid under NREGA should be revised on one hand and subsequently every year there should be enhancement in the existing wage rates by a reasonable percentage say around 10-15% or so.
- **Availability of worksite facilities:** Women workers, particularly those with children, face major inconvenience due to lack of Crèche facility and toilets. So the steps should be taken to provide adequate worksite facilities.
- **Increase in employment (man working days):** The programme has the provision for 100 days employment per household. As such if a household who has more than one adult member, the man days should be increased suitably however with some ceiling.
- **Skill generating work** -The MGNREGS should develop a relevant instrument to provide skill generating work and activities for literate beneficiaries instead of engaging them completely in manual work.
- **Participation of Women:** Women participation can be enhanced by appointing female supervisors on MGNREGS works. Women should be involved in the selection of works, which can create further mainstream employment in the village.
- **Action against Corruption:** Strict actions should be taken against the officers and other employees who are found involved in misguiding the persons who make their approaches to them to know about the Government Schemes for employment opportunities.

Conclusion:

The government has done the right thing by stepping up allocations both for MGNREGA and PDS grains. But in the end, MGNREGA cannot be any more than a scheme that provides employment during the agricultural lean season for landless labourers and marginal cultivators.

Now, the focus has to be on getting people, including the migrant labourers, back to normal work.

Also, it may be inferred that above suggestions, if taken care of, will definitely make MGNREGA a real instrument for overall rural upliftment, in general & improve the lot of the rural poor s, in particular.