

**STUDY**

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**MGNREGA: In Brief:**

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was enacted by legislation on Aug 25, 2005 (known as NREGA at that time) and is the largest public programme in India, initiated by the UPA government. It started in 2005-06 with 200 districts and slowly extended to another 130 districts in 2007-08 and to all remaining 285 rural districts in 2008-09. Under this Act, every adult member of rural household is entitled to at least 100 days guaranteed wage employment in a financial year, if volunteered to do unskilled manual work. Here all rural families are entitled to apply for participation and get job cards issued. Some of the salient features of MGNREGA are as follows:

- i) All adult members of a rural household willing to do unskilled manual work have the right to demand employment.
- ii) Such a household will have to apply registration to the Gram Panchayat.
- iii) 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.
- iv) The Job Card must remain in the custody of the household.
- v) Job Cardholder can apply for work to the Gram Panchayat which will issue him/her a dated receipt of the work application.
- vi) 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.
- vii) Disbursement of wages has to be done weekly basis and not beyond a fortnight.
- viii) 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.
- ix) A ratio of 60:40 for wage and material costs should be maintained at GP level.
- x) No contractors/and no labour-displacing machinery shall be used in execution of works.
- xi) Panchayati Raj Institutions will have a principal role in planning, monitoring and implementation.

- xii) At least one-third of the workers should be women.
- xiii) Inbuilt incentive-disincentive structure to the State Government for guaranteeing employment.
- xiv) According to MGNREGA Act funding under this scheme is shared by central and state governments.

**The important aspects of this Mega Scheme are:**

- (i) MGNREGS has the provision of ensuring a critical minimum of employment and income to rural households in the form of guaranteeing at least 100 days of manual work to any household whose adult members volunteer to take up such work.
- (ii) It thus ensures a critical minimum of economic security to the poorest of the poor.
- (iii) Being the largest public wage employment programme for the poor in the developing world, it is based on the Keynesian macroeconomics of public expenditure and therefore is designed to provide a multiple effect to the income generation process in the rural economy of India.
- (iv) Only permissible works such as water conservation and water harvesting, drought proofing (including afforestation and tree plantation), irrigation, including micro and minor irrigation works, plantation, horticulture, land development, renovation of traditional water bodies including de-silting of tanks, flood control and protection works, including drainage in waterlogged areas and rural connectivity to provide all-weather access are predominantly the types of works that are allowed under this programme. These aim at improving the natural resource base of the rural economy and promote environmental sustainability.
- (v) Mandatory provisions in the Act/Guidelines such as convening the Gram Sabha at least twice a year, the gram sabha taking the decision regarding the nature and choice of works to be undertaken, the order in which each work is to be triggered, site selection, etc. social audit, village vigilance committee, choice of time and duration of the work applied for by the wage seekers, facilities of crèche, drinking water, first aid etc. on the worksite, right to check muster rolls, right to get unemployment allowance if employment is not provided within 15 days of submitting the application, medical treatment in case of inquiry 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, appointment of ombudsman at the district level, payment through bank/post office passbooks etc. all these are meant to bring in elements of participation, empowerment and transparency in the programme, thereby creating the required social sustainability aspect of economic development.

**Objectives:**

- i) To find the socio-economic conditions of the MGNREGA beneficiaries in the study area.
- ii) To study the perceptions of MGNREGA beneficiaries regarding the provisions of the Act.
- iii) To observe the participation of the beneficiaries in the MGNREGA Planning.

**Methodology:**

Two Community Development Blocks (Juria and Pachim Kaliabor) are selected randomly from Nagaon district of Assam, Two Gaon Panchayats (Telia Bebejia and Niz Barbhugia ) are selected again randomly from these two Blocks. Again 35 MGNREGA beneficiaries were selected purposively from each Gaon Panchayat (GP). Thus a total of 70 MGNREGA beneficiaries were selected. A pre-tested schedule was used to collect information from the sample beneficiaries. Data was collected in July 2014 for the financial year 2013-14 for study. Both primary and secondary sources were used for this paper.

**Review of Literature:**

Sivasankari and Bharathi (2012) analyze the awareness of the beneficiaries of MGNREGA, and the results of the study indicate that the beneficiaries have adequate awareness in Registration for employment, wage payment, facilities at the workplace and records in work place except casualty at work site and grievance redressal mechanism. In addition, the beneficiaries who have studied higher secondary level have more awareness on MGNREGA than the others.

Singh and Nauriyal(2009) assessed the impact of MGNREGA in 3 districts of Uttarakhand and found no significant improvement in their income and employment levels. An increase in consumption levels and savings were also marginally improved among the sample beneficiaries. The report indicated that lack of producers, low level of awareness and weak PRI etc. were the reasons for low performance of MGNREGA in the sample districts.

Thakur (2011) made an attempt to study impact of MGNREGA on socio-economic status of the participants in Seoni district of Madhya Pradesh. The study states that MGNREGA has transformed the economic and social status of the participants by increasing their wage rate. After the implementation of MGNREGA, the farmers are forced to raise the daily wage of the labourers from Rs. 25 to Rs. 60-70. The study concludes that most of the participants admit that the MGNREGA has improved their social status as they are no longer treated as slaves by the

farmers and get invitation from time to time to attend social functions from which they were deprived of prior to the implementation of MGNREGA.

According to one study done by Satver Kaur (2013), it was found that in six districts of the Punjab, MGNREGA had positively impacted rural people but this impact seemed to be less significant.

Ankita Aggarwal in her paper “Insights from Jharkhand: The MGNREGA crisis” published on 28<sup>th</sup> May, 2016 in the journal *Economic and Political Weekly*, does not give a very optimistic outcome of the mega project of MGNREGA with respect to its success in employment generation. Apart from that a decline in budget caps, delays in wage payments and rampant violations of workers’ entitlements. A cross-examination of the case of Jharkhand detects the absence of a strong grievance redressal system, weak financial institutions, acute shortage of functionaries and indiscriminate use of technology responsible for the dissatisfactory performance of MGNREGA. But she refers to certain initiatives taken by the State Government and the Civil Society in the recent past to open up new possibilities for improving the Programme.

In the paper, “Workforce in Low Income Countries: An Effective Way to Fight Poverty? The Case of NREGS in India”, Shamika Ravi and Monika Engler analyse the impact of India’s National Rural Employment Guarantee Scheme (NREGS) on Rural Households, particularly with reference to food security, savings and health outcomes. One of the results of the survey is that the NREGS improves food security, increases probability of holding savings and reduces anxiety level among low income households. It is also found that the NREGS significantly increases expenditure on non-food consumables (48%) and clothing (43%) but food amounting to 7% increase for all households and 15% for the poorest group.

Both the cross-section and panel data analyses disclose a positive impact of the NREGS on relevant household expenditures. Significant improvement in food security is observed which is reflected in increased food expenditures. The survey also indicates that the NREGS payments first of all improve the food security before flowing into alternative uses. Furthermore, the NREGS has led to savings among rural poor which denotes economical use of the earnings from the Programme.

They also found that those who voluntarily left the Programme after first year appear to have done better than those who voluntarily stayed outside the NREGS during the whole observation time of two years. This indicates that the basic objective of the Programme to provide unemployment insurance is being met. Households are able to overcome temporary income shortfalls by flexibly and quickly moving in and out of the NREGS.

Basu et al (2009) argue that the success of an employment guarantee scheme (EGS) in safeguarding the welfare of poor is related to the wage given and the ease with which any worker can gain access and power enjoyed by local bureaucracy and political elements and proper implementation of socially productive public works.

Some studies still find usefulness and benefit in the programme. Mathur (2007) argues in favour of NREGA that it has marked the beginning of momentous changes in the lives of the rural poor. He shows that migration has reduced in several villages in Andhra Pradesh, Chattisgarh, Orissa and Rajasthan. Minimum wages were raised in many states; the participation of women increased significantly even in the districts of Rajasthan and Uttar Pradesh.

Jandu (2008) carried out a research in four states namely Chattisgarh, Madhya Pradesh, Orissa and Tamilnadu. Survey data showed that women workers were more confident about their roles as contributors to family expenditure and their work decisions and it gave them speech in public sphere.

Hazarika (2009) examined the impact of NREGA on gender empowerment in Morigaon and Bongaigaon districts of Assam. This study showed that almost 70 to 80 of sample workers had meaningful income other than unpaid family work during the Pre- NREGA. Majority of the workers felt that they were now in better position to fulfill their own requirement without looking at others.... In Bongaigaon district, a large number of job card holders were found who had become Panchayat representatives.

Ramesh & Kumar (2009) in their study also found that the scheme holds the powerful prospect of bringing major changes in the lives of women. NREGA is playing a substantial role in empowering women economically and laying the basis for greater independence and self esteem. It has become a beacon light in the empowerment of rural women, and has contributed substantially for the increased living and economic conditions by creating equal wages for male and female workers and increasing the minimum wages. Their study was conducted in 2009-10 by selecting 500 women beneficiaries. The beneficiaries expressed that this programme helped in eradicating the debt burden to some extent.

### **Results and Discussion:**

Social Background: Out of total 70 sample households, males are 46 and females are 24, SC being 13 (Male-9, Female-04), ST-02 (Male-1, Female-1), Tea Tribes-04 (Male-2, Female-2), OBC-15 (Male-11, Female-4), General 36 (Male-23, Female-13). Again, total Hindus are 45 (Male-32, Female-13), and Muslims-25 (Male-14, Female-11). Out of 70 sample beneficiaries, 14 are BPL (Below Poverty Line), 13 are APL (Above Poverty Line), 11 are AAY (Antodya Anna Yojana). Actual BPL sample families are 37 whereas APL sample families are 33.

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### **Table-1 Sources of Fuel**

Sl. No	Sources of Fuel	Number of Sample Family (N=70)
1	LPG	09
2	Kerosene	02
3	Fire Wood	39
4	Cow Dung	13
5	Others	07
	Total	70

Source: Primary Source

Among 70 sample beneficiaries, 9 are found to be using LPG, 2 Kerosene, 39 fire wood, 13 cow dung, and 7 are using others.

**Table-2 Land Holdings**

Landless	16
Upto 2 Bigha	28
From 2-4 Bigha	13
From 4-6 Bigha	05
From 6-8 Bigha	04
From 8-10 Bigha	02
From 10-12Bigha	02
Total	70

Source: Primary Source

16 sample beneficiaries did not have any land, 13 had between 4 and 6 Bighas, 4 had between 6 and 8 Bighas and 2 had land between 8 to 10 Bighas and again 2 had between 10-12 Bighas.

### **Educational Status:**

Out of 70 sample beneficiaries, 18 were illiterate, 9 were literate but could not complete primary level. 12 completed primary level whereas 15 completed middle school. 7 read upto class X whereas 9 cleared HSLC.

### **Family Size:**

Out of 70 sample families, 19 have small families having just 5 members, 45 have medium families with 6-10 members and 6 have large families with more than 10 members.

Total number of population in the sample households is 484, out of that 261 are males and 223 are females.

### **Age Distribution of the Respondents:**

9 respondents are found to be in the age group of 18-27, 17 are between 28-37, 26 between 38-47, 16 fall under the age group of 48-57 and 2 are above 58.

**Income Holder:**

21 families had single income members, 32 families have double income holders, 11 have triple and 6 have quadruple members.

**Monthly Income of the Respondents:**

**Table-3 Monthly Income of the Respondents**

Sl. No	Variable	No of Respondents	%
1	Monthly Income Upto Rs 2000	07	10
2	Rs 2001-3000	14	20
3	Rs 3001-4000	17	24.28
4	Rs 4001-5000	23	32.86
5	Rs 5001-6000	07	10
6	Rs 6001-7000	2	2.86
	Total	70	100

Source: Primary Source

It is found that 7 sample beneficiaries, i.e. 10 percent of the total 70 have monthly income upto Rs.2000, 14, i.e. 20 percent have monthly income between 2001-3000, 17, i.e.24.28 percent of the beneficiaries are having the income from 3001-4000, 23, i.e.32.86 are earning 4001-5000 per month, 7, i.e. 10 percent have their monthly income from 5001-6000 whereas 2, i.e.2.86 have the monthly income of 6001-7000.

**Type of House:**

**Table- 4 Type of House**

Sl No	Types of House	Nos. of Sample
1	Bamboo	17
2	Bamboo Mud	21
3	Ekra Mud	15
4	Wooden Ply	03
5	Brick Wall	08
6	Half-Wall	06
	Total	70

Source: Primary Source

17 are seen residing in bamboo houses, 21 in bamboo mud houses, 15 in ekra mud houses, 3 in houses made of wooden ply, 8 reside in houses of brick wall and 6 in half-wall houses.

**Source of Lighting:**

**Table-5 Source of Lighting**

1	Electricity	46
2	Kerosene	24

Source: Primary Source

There are two major sources of lighting. 46 have electricity connections whereas 24 use kerosene for lighting purpose.

**Table- 6 Sources of Fuel**

Sl.No	Sources of Fuel	Number of Sample Beneficiaries
1	LPG	09
2	Kerosene	02
3	Fire Wood	39
4	Cow Dung	13
5	Others	07
	Total	70

Source: Primary Source

Out of 70 households, 9 use LPG for fuel, 2 kerosine, 39 firewood, 13 cowdung, and 7 others.

**Table-7 Sources of Drinking Water:**

Piped Supply	12
Tube Well	39
Protected Dugwell	17
Unprotected Dugwell	02
Total	70

Source: Primary Source

For drinking water, 12 use supplied water, 39 tube well, 17 protected dugwell, and 2 unprotected dugwell.

**Places of Defecation**

Out of 70 sample beneficiaries, 18 have sanitary latrines, 36 non-sanitary and 16 use open spaces for defecation.



**Primary Occupation of the Sample Respondents:**

**Table-8 Primary Occupation of the Sample Respondents**

Sl. No	Primary Occupation	Number
1	Cultivation	20
2	Agricultural Labour	18
3	Non-Agricultural Labour	04
4	Casual Workers	08
5	Poultry and Animal Husbandry	05
6	Fishing	04
7	Household Industry	
	i) Bamboo and Cane	05
	ii) Weaving	06
	Total	70

Source: Primary Source

Among the 70 sample respondents, 20 have cultivation as primary occupation, 18 are agricultural labourers, 4 are non-agricultural labourers, 8 are casual workers, 5 are engaged in poultry and animal husbandry, whereas 4 have mainly fishing as primary occupation. 5 work on household industry like bamboo and cane and 6 have adopted weaving as primary occupation.

**Food and Nutrition:**

**Table-9 Food and Nutrition**

Sl. No	Intake of Food Item	No of Sample Family			
		Daily	Weekly	Occasionally	Never
1	Milk or Curd	19	22	13	16
2	Pulses	43	27	Nil	Nil
3	Green Leafy Vegetables	39	31	Nil	Nil
4	Chicken, Meat or Fish	Nil	37	33	Nil
5	Egg	Nil	54	16	Nil
	Total				70

Source: Primary Source

Regarding the intake of food items, 19 take milk or curd daily, 22 weekly, 13 occasionally, 16 never. 43 are found to have taken pulses daily, 27 weekly, 39 are found to have taken green leafy

vegetables, 31 weekly, 37 are found to be taking chicken, meat or fish weekly, 33 occasionally, 54 taking egg weekly and 16 occasionally.

**Assets Possessed by the Households:**

**Table-10 Assets Possessed by the Households**

Cycle	39
Scooter/Motor Cycle	03
Radio	03
T.V	18
Swing Machine	02
Weaving Materials	09
Cooking Gas	09
Mobile Phones	24
Total	70

Source: Primary Source

Among the assets used by the sample households, 39 are found to be using cycle, 3 scooter/motor cycle, 3 radio, 18 T.V, 2 swing machine, 9 weaving materials, 9 cooking gas, 24 mobile phones etc.

**Knowledge about Provision of MGNREGA:**

56 percent had knowledge about MGNREGA wage which was Rs 152 in the study year.

50 percent of the sample households knew about guarantee of getting minimum of 100 days of employment.

Only 19 percent of respondent had the knowledge about unemployment allowance.

58 percent of sample beneficiaries did not have any idea about provision of facilities like drinking water, first aid, working shed, chrese etc in the working sites.

Only 12 percent of the beneficiary household had the knowledge about provision getting extra remuneration if the implementing authorities if the working sites are far beyond 5 KM from their villages.

**Participation in the Gram Sabha:**

37 percent of the sample respondent attended in the Gram Sabha which is arranged by the implementing agencies that is by Gram Panchayats.

**Generation of Employment:**

Though the act has given the guarantee to give at least 100 days of employment who is willing to do manual physical work in rural areas but in our study area we got that 2 sample beneficiaries (both are male) were got the employment for 66 days. 52 man days got by sample beneficiaries,

here also all the male. 46 man days got by 4 sample beneficiaries, here also all are male. 42 man days got by 6 sample beneficiaries where 2 were female, 36 man days got employment by the 12 sample beneficiaries out of that 8 were female. Lowest employment i.e. 6 days got by 10 sample beneficiaries. Among the female beneficiaries 2 could avail MGNREGA job for 42 days.

The average income from MGNREGA was Rs 3836.

**Conclusion:**

- i) From the above study, it is found that maximum no. of respondents are less educated and their income level is also very low, having a little idea of the Act, less conscious of its provisions under which they are working.

**Suggestion:**

- i) It is suggested that the Civil Society and the N.G.Os have a bigger role to play in making the beneficiaries more and more aware of the various aspects of the Act. Even as the implementing agencies, the Panchayats have to take initiative in giving proper information at proper time regarding the various provisions of MGNREGA.

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