CHAPTER 7

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This chapter highlights the summary of findings of the study as discussed in the preceding chapters and contains some policy implementations of the study. Some specific policy recommendations have been suggested for the overall improvement in implementation of MNREGA with a special focus on the study districts of Gujarat state.

7.1 Findings and Concluding Remarks

Methodology and Administration set up

The study is based on both, primary and secondary data. The primary data were collected in reference year 2013-14 from 400 sample households spread over 10 villages of Anand and Kutchh districts. Multi-stage sampling and purposive samoling methods were used for selecting Blocks, Gram Panchayats and Beneficiaries. The study has found some interesting outcomes of the Act related to, Income and Consumption expenditure pattern, Assts created under MNREGA and its durability, Wage differentials between MNREGA activities and other activities and lastly, to understand the functioning part of the programme were examined.

Among selected districts, Anand district is good performing compared to Kutch district. Both demography and agricultural profile of the selected districts have large variations. In Gujarat, MNREGA was implemented in three different faces. Starting from April 2006 the MNREGA covered all 26 districts of the states in April-2008. Ministry of Rural Development and Government of Gujarat are engaged in implementation of MNREGA in Gujarat. For planning, implementation and monitoring of MNREGA, they set up a separate Commissionerate of Rural Development Programme (MNREGA) and Principal Secretary, Ministry of Rural development is working as a Commissioner of it. As per section 12(a) of the said Act, state government also constituted State Employment Guarantee Council (SEGC) for the purpose of observing the implementation and
monitoring of the Act at the state level and give necessary advice to the state government. This council has members from concerned departments, elected representatives, members from Panchayat Raj institutions (PRIs), members of NGOs and experts.

At the village, taluka and district level, the primary responsibilities of planning and implementation of the MNREGA lies with Panchayat Raj institutions. For proper planning and effective implementation of MNREGA, the District Panchayat at district level, Taluka Panchayat at the taluka level and the Village Panchayat at the village level are the principal implementing authority.

At the district level, District Development Officer (DDO) is designated as the District Programme Co-ordinator (DPC) who is responsible for overall planning, implementation, co-ordination and monitoring of the MNREGA. Further, DPC has financial and administrative power as are required for the implementation of scheme. Director, DRDA is designated as Additional District Programme Co-ordinator (ADPC). DDO is assisted by ADPC at the district level and programme officers (PO) at the taluka level. DPC is also assisted by Deputy District Programme Co-ordinator (DDPC), Works Manager, Deputy Engineer (DE), Junior Engineer (JE) Technical Assistant, MIS co-ordinator etc. and “Technical Advisory Cell (TAC)”. Appointment of DDPC, Assistant Engineers (AE), Junior Engineer (JE), Account officer, Clerks etc. are made either on deputation or giving additional charge or on contract basis with fix tenure and salary. The Taluka Development Officer (TDO) is designated as programme officer (PO) at Taluka level. The PO at the taluka level is assisted by Assistant Programme Officer (APO), Junior Engineers/Technical Assistant, MIS coordinator, accountant, clerks etc. PO and his team is responsible for the planning, implementation, co-ordination, inspection and monitoring of the scheme at the block level and to perform functions in co-ordination with district/state level concerned officers.
The Sarpanch and Talati-cum-Mantri of village Panchayat are responsible for planning, execution and supervisory of projects, propagating implementation, co-ordination, monitoring of the scheme at the village level. Talati is assisted by junior engineer and APO.

**Household Characteristics**

The family size of sample households in both districts, was 4.58 percent and 3.97 percent in Anand and Kutchh districts respectively. Among them about 2.87 percent and 1.38 percent members of households were earners in Anand and Kutchh districts respectively. Nearly, 70.55 percent of households was inactive age group of 16-60 years. Among selected households, 82.25 percent were General and OBC. This implies that higher castes almost remained present under MNREGA works. It was surprised to know that only 17.75 percent households were SC and ST castes. Nearly 71.92 percent percent had casual wage labour and 29.08 percent had agriculture as their major occupation. Among all sample households, only 2 percent had AAY and 47 percent percent had BPL ration cards. It shows that Non-BPL families also participated in MNREGA with large portion of the rural populates. The literacy rate of sample households was too low. About 43 percent households were illiterate in selected districts.

**Per Household Occupation-Wise Person Days and Net Income of Sample Households**

The per household total person days generated on various activities during 2013-14, were about 536.66 in Anand district, which was higher than 480.78 person days for Kutchh district households. Under MNREGA Activities, it was higher in Anand district about 80.02 (14.91 percent) compared to Kutchh district households was 65.21 (13.56 percent) person days. Overall, share of MNREGA employment in total person days was to the extent of only 14.27 percent. So far as Agriculture casual labour work is concerned, total person
days generated in Kutchh district households for 132 person days, which was substantially higher (27.64 percent) than 128.23 person days of Anand district households. Each Kutchh district household, on an average worked as non-agricultural casual labourer for about 154.12 Person days, which was little higher (32.06 percent) than 152.52 person days (28.42 percent) of Anand district household. The average person days spent per Anand district and Kutchh district households for self-employed in farming were 88.28 and 55.93 respectively. This suggest that majority of them are either landless or marginal own very small piece of land holding or their farm size not in a better shape mainly due to low investment and low size. For Anand and Kutchh districts, households in total person days, self-employed in Livestock were the forefront contributors and together it accounted for 80.11person days. For Anand district households, it claimed 87.61 person days and in Kutchh district households, 72.61 person days were generated The total annual income generated by Anand district households and Kutchh district households from all available livelihood sources was ₹ 126641.78 and ₹ 87378.75 respectively. Besides, ₹ 10078.25 (7.96 percent) from MNREGA works, Anand district households has earned ₹ 43036.75 (33.98 percent) and ₹ 73526.78 (58.06 percent) from non-agricultural wage works and agriculture, livestock and farming respectively. On the other hand, Kutchh district households, ₹ 9293 (10.64 percent) from MNREGA works. While, has earned ₹ 40507.56 (46.36 percent) and ₹ 37578.19 (43 percent) from non-agricultural wage works and agriculture, livestock and farming respectively. It may be reveals that income from MNREGA works by Anand and Kutchh districts households was only 7.96 percent and 10.64 percent of their total household’s annual income during the year 2013-14. As a whole, the income from non-agricultural labour works weighted 42.41 percent of net annual income of a from sample households.
Per Capita/Month Food and Non-Food Consumption

Rice, Wheat, Maize, Jowar and Bajra are the main cereals consumed by sample households. In respect of per capita consumption of main food items during 2013-14, Kutchh district households were somewhat better positioned compared to Anand district households. However, on non-food items, it was much higher for beneficiary households. It was observed that, as compared to NSS data (2004-05), Total food items consumption expenditure in year 2013-14 was almost double for both district households. It was happened mainly due to some extent improvement in consumption level and substantial increase in consumer prices of majority food items. Among various kinds of Non-Food items, again the Kutchh district was better in the position compared to Anand district. To understand more clearly the inequality in income distribution as well as Consumption Expenditure among sample households, The Gini coefficient measure was adopted. The Gini coefficient of income and consumption across households suggest significant inequality (variability) in income distribution as well as in consumption pattern. OLS regression analysis shows that in both districts Family size and wage rate of MNREGA were highly correlated with employment generation in MNREGA.

Works Profile and Wage Differential

The average family size of 400 sample beneficiary households was 4.27 persons. Out of them, on an average 1.91 persons per household were worked under MNREGA during 2013-14. In selected districts, it was lowest at 1.38 persons for Kutchh district and highest at 2.87 persons for Anand district. Cast-wise data shows that, large no. of participation in MNREGA by General and OBC, but in case of Schedule Caste and Schedule Tribe participation found very insignificant. The important salient feature is the predominance of women participation in MNREGA works; overall, men-women participation ratio was found at 53:47. No discrimination and gender biased seen in wage rate received
by men and women households for MNREGA works. From selected districts, it was found that wage rate received per day by MNREGA workers higher in Kutchh district compared to Anand district. The average wage rate received by workers of MNREGA was found less than the prescribed basic minimum wage of ₹ 147 per day. The average wage rate received under MNREGA works found to be much lower than compared to Non-MNREGA works. The difference between wage rate among MNREGA works and Non-MNREGA works was 40 to 45 percent. The huge gap obviously slow down the demand for MNREGA works and it happened in selected districts.

Quality of Assets Created

In selected districts, majority households perception regarding quality of assets created under MNREGA found as good or very good. Very Few households expressed their displeasure on quality of assets. The field level clarification and conversation with households exposed somewhat different picture of ground realism. The quality of many assets found poor or reasonable. Some works were taken up without proper planning frame. Moreover, some works; selection of locations and magnitude of works were not proper. Due to lack of technical and supervisory staffs, quality of some assets created was sub-standard. Due to lack of proper care and no concentration to protection of created community assets, quality of assets deteriorated and assets became no useful within short period. In heavy rain fall situation, some road and earthen works washed away. There is a need to put more importance on protection of created assets.

The Functioning of MNREGA-Qualitative Aspects

During the study, some irregularities were found in job cards in terms of no entry of works done, wrong entry, over-written or blank signature column etc. About 10.0 percent households not kept job-card with them. Thus, existence of irregularities and malpractices in issuance and entries in job cards is a matter of serious concern. Total households applied for MNREGA works, 85.5 and 93.5
percent received dated receipt in Anand and Kutchh districts respectively. As far as the payment of wages is concerned, 75.00 percent households were paid on the basis of “task wage” method and therefore average wage rate realization was less than the minimum wage of ₹147/day prescribed in the Act (for financial year 2013-14). Nearly 40.0 percent of beneficiaries complained about considerable delay in the wage payment. They received it in a month or beyond it. About 4.5 percent and 7.5 percent households complained for less receipt of wage amount than amount on which they signed or put thumb impression in Anand and Kutchh district respectively. Because of illiteracy and long distance, 39.0 percent and 30.0 percent households faced difficulties in accessing post office/bank accounts in Anand and Kutchh district respectively. Most of the households were not aware about clarity on task based wage calculation and they find it very complex and beyond their understanding. Majority of households were satisfied with the facilities provided at worksites under MNREGA.

7.2 Policy Implications

During the field investigation, almost all the sample households favoured continuation of MNREGA programme with some modifications. The study further reveals that MNREGA is able to enhance income level, food security and livelihood security of rural poor households on a sustainable mode. The study further shows that level of benefits consequent from MNREGA were found below the expected level. This shows that still MNREGA implementation having some critical problems and constraints. The policy recommendations for raising performance and effectiveness of MNREGA has suggested in following way.

1. Panchayats take up the responsibility to maintain assets created under MNREGA. The assets like farm ponds, irrigation wells etc. created on private land of SC/ST/General/OBC/BPL households are owned by
landowners. The assets created on private land are generally well maintained by the owners. However, study found that panchayats are not well performed to maintain community assets in proper way. They always argued that have no adequate fund to tackle this bottleneck. Because of the poor maintenance of these community assets, it becomes less durable and non-useable in a short time period. The MNREGA does not have any system to ensure maintenance of these assets. As a result, assets that created under MNREGA are wasting away due to lack of accurate and timely maintenance. Officially, if the assets are within Panchayats lands, responsibility of maintenance of assets lies with it. Therefore, maintenance of created community assets must be brought under the MNREGA purview and Panchayat should be provided with special funds for maintenance. If this problem not addressed immediately, this alone has the potential to destroy whatever has been achieved.

2. It is obvious that to take responsibility and in charge of any government programme may be tough decision for any one. To implement and functioning of MNREGA, DDO and TDO have been given additional charge of DPC and PO respectively. DDO and TDO are already overloading with their regular duties. Many appointments including engineers are either on deputation from other line departments of state government or given additional charge. Some appointments such as Junior Engineer (JE), Clerks, MIS coordinator, accountants, APO, DDPC, GRS etc. have been made at the block/district level but on contract basis for limited term (11 months) with fixed pay. At village level, Talati cum Mantri is loaded with his regular works. Many sanctioned posts are left to vacant at present. Because of the additional responsibility, lack of expertise and part time based appointments; they lack motivation, dedication and are demoralized. The shortage of well-qualified permanent staff causing interruption in planning, approval implementation and monitoring of
MNREGA works. It also adversely affected to the inspection, muster roll verification, quality and measurement of works done and timely payment of wages. Sometime measurement itself can take few weeks even if it is supposed to be done within week. Delayed in wage payment is one of the big problems of MNREGA and creating large extent dissatisfaction among households. Therefore, some suggestions from our side to fill all sanctioned posts and enrollment of permanent professional’s staff dedicated to MNREGA at all level but most significantly at the block and Village level. This will obvious diminish troubles of MNREGA implementation and functioning.

3. Pragmatic that in different activities taken up under MNREGA, wage payment of work done is determined by use of task-wage method. This method is very complex and beyond the understanding level of the workers. Due to this wage calculation method, MNREGA workers obtained average wage rate less than the daily basic minimum wage (₹147/day) prescribed in the Act. Some workers were obtained wage rate below ₹100/day. The paying less than the daily minimum wage because of outdated wage rates based on finished tasks turned out to be a great hazard to the MNREGA’s development. Therefore, there is a need to simplified and make easier to understand the task-wage method. Whatever may be the unaware of wage-calculation method, households were obtained wage rate less than minimum prescribed wage.

4. Irregular and late in payment of MNREGA works is also adversely affect the act’s progress potential. During the field study, we have been seen that many households expressed their frustration towards very late payment of wages. In some places, payment found to be delayed for month and beyond it. Most of the households are very poor and have very poor economic conditions, due to late in timely payment; they are facing lot of problems to meet their recurring expenses. Owing to late
payment, some households stopped to work under MNREGA activity and started to work in non-MNREGA works where payment is high and in timely base. The shortage of qualified staff and their laziness at all levels was the main cause for delay in wage payment. Therefore, it is our esteemed suggestion to create an appropriate agreement and ensuring timely and regular wage payment to MNREGA workers.

5. When MNREGA commenced in 2006, wage-rate of MNREGA works was marginally higher than prevailing market labour cost of agriculture and non-agricultural works. The announcement of MNREGA influenced available labour forces and created labour shortage in market. Due to shortage of availability of labourers, wage rate of non-MNREGA works moved up extensively. At present, non-MNREGA wage rates of different activities are considerably higher (20 to 40 percent) than it for MNREGA works (₹147/day). In addition, subsequently, it leads to higher scale of out-migration and deprived participation in MNREGA. Moreover, high rate of inflation on basic needs items make current wage rate of MNREGA non-affordable. Therefore, to correct this policy, we suggest every year revised the basic minimum wage rate of MNREGA in the context of inflation scenario or consumer price index of labourers.

6. For securing maximum benefits from MNREGA, it is necessary to integrate MNREGA programme with the other relevant ongoing central/state government programmes. In this context, ongoing programmes like, Watershed Development, NWDPRA, DPAP, Minor Irrigation, Farm Ponds, and Tribal Development Programme etc. Instead of permit new independent works, efforts should be made to contribute to the ongoing efforts through MNREGA. It is also necessary that at the district, taluka and village level, efforts should be made for convergence of these different programmes to make them effective. Such convergence will enable the planner to generate large-scale wage
employment on a continuous basis in these districts on one hand and promote rapid development of the regions on the other hand.

7. As per Act, if employment not provided within 15 days, unemployment allowance in cash has to be paid to applicant. A responsibility to pay unemployment allowance is of state government. During the study, it was observed that inspite of having application form in some cases unemployment allowance not paid to anyone. To avoid the payment of unemployment allowance, some Gram Panchayats are accepting non-dated demand applications or oral instruction. In some Gram Panchayats, villagers are giving job-demanding applications only when they received instructions from Talati/village functionaries. Thus, by using this instrument legal guarantee of providing unemployment allowance is reduced. In addition, there is no awareness or collective strength of household union on the part to demand unemployment allowance and no willingness on the part of authorities to make such payment. Therefore, central government must pursue this matter with state government to pay regularly due unemployment allowance to all eligible workers. The policy of payment of unemployment allowance will put pressure on the state government as well as on other functionaries to perform better and timely.

8. MNREGA guarantee atleast 100 days of wage employment per households. In every financial year. While calculating the limit of prescribed days under the Act, size of the household family cannot be taken in to account. This provision has depressed large families. A family having 3 to 4 adult members will get employment for about 25 to 30 days per person in a financial year. This duration is inadequate to sustain their livelihood in entire year. Therefore, they try to find out other sources of the income and they have no any other option but to continue migration at other places. Therefore, to stop out migration, we
suggest to raise the limit of person days and if it possible to link it with all adult members of the family.

9. Capacity building is a continuous process. The need is felt for capacity building of all stakeholders of the MNREGA, government administration at all levels, Panchayati Raj Institutions at all the levels, community organisations and common people at the village level. During the field investigation, it was found that many of them lack full awareness on various components of the programme. Households found unaware about their legal rights, unemployment allowance rate, wage calculation method, how to conduct social audit etc. However, training has not reached to all stakeholders. Therefore, we suggest that create a well-prepared capacity building who have all knowledge about the each part of the programme in positive approach.

10. Field survey revealed poor involvement of line departments in planning, execution of works and at other stages of the programme. Due to low-level involvement of line departments such as Irrigation, PWD, Forest etc. there were discrepancies in selection of suitable works, suitable location, size of works, quality of works etc. Therefore, it is necessarily to build active line involvement of all related line departments in implementation of MNREGA.

Summary of the Chapter:

The outcomes of the study interpreted that MNREGA Act clutch the key programme to the overall development of nations vast rural populates. The programme has such a huge potential in empowering rural communities. MNREGA has such capabilities to improve income level, food security and livelihood security of rural poor on a sustainable approach. Additionally, MNREGA brought very significant changes in respect of employment generation, income level, wage-rates and food security. The study reveals that
the participation of authorized peoples was low at the different level stages of planning, implementation and Gram Sabhas. The awareness level about programme activities was also low to moderate. It implies that we need to put some higher efforts to increase the people’s participation at all the stages of the programme. The study shows need of bringing more transparency in conducting social audits. It is worth to influence more participation of line departments in the programme will be helpful in effective implementation of programme.