Chapter IX

SUMMARY, CONCLUSION AND POLICY IMPLICATIONS
This Chapter is devoted to present summary, findings and policy implications. In order to alleviate rural poverty by generating employment and creation of sustainable assets in rural India, Government of India enacted the MGNREGA. In 2006, India embarked on an ambitious attempt to fight rural poverty. The National Rural Employment Guarantee Act of 2005 created a justifiable right to work for all households in rural India through the National Rural Employment Guarantee Scheme, which was renamed as the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in 2009. Over the last six years, the scheme has delivered the largest employment programme in human history, which is unlike any other in its scale, architecture and thrust.

The average person days of employment under MGNREGS in the country is 31 during 2011-12, while it is 41 in Andhra Pradesh. The average percentage of utilization of funds in the country is 77 per cent, while it is 76.47 per cent in the A.P. On an average 42.8 per cent of the works are completed in the country, while it is 45.73 per cent in A.P. These official statistics shows the poor participation of the people in the scheme. The people’s participation varies from State to State and also from district to district.

However, social security programmes are not free from flaws. So is the case with MGNREGA. There are problems and challenges from both the government and the public. Another issue is the deficiency of adequate administrative and technical manpower at the Block and Gram Panchayat
Levels, especially at the level of programme officer, technical assistants, and Employment Guarantee Assistant Level etc. The lack of manpower has adversely affected the preparation of plans, scrutiny, approval, monitoring and measurement of works, and maintenance of the stipulated records at the block and GP level.

Cases of discrimination against women and people from backward groups are reported from several regions of the country. Some states such as Kerala and Andhra Pradesh have registered high percentage of women workers getting enrolled in the scheme whereas others have registered a very low percentage of women availing benefit under MGNREGA. In some states, the powerful groups among the work force get large number of job cards. Statistics clearly indicate that the poverty alleviation programmes have had a minimal effect on poverty levels in India due to corruption. There are several cases of fake muster roll entries, over writing, false names and irregularities in job cards. Even the names of dead people who have not registered often feature in the muster rolls.

As regards issues and challenges among the people, it is observed from the earlier studies that inadequate awareness about MGNREGA is one of the major challenges. The fact is that the national average for workdays generated under the scheme is less than half of the entitlement of 100 days per household per year. Even in 2009-2010, a severe drought year, only 54 days of work per household was generated. In 2010-2011, this number decreased to 46.79 days. In spite of the large number of provisions under MGNREGA being in favor of workers, they could not enjoy their
entitlements, such as getting work for the stipulated 100 days, unemployment allowances and basic amenities at the work site, on account of being unorganized. It seems to be a setback for the workers under the Act.

Several attempts to evaluate the performance of the MGNREGA have been made by the Ministry of Rural Development, Government of India and researchers. Some of the studies have evaluated the impact of MGNREGA, while some other examined the implementation process. A few studies made suggestions to improve the functioning of the MGNREGA. As stated above, though there are several studies available in analyzing the functioning of MGNREGA, still there is a dearth of empirical studies. There are no studies that examined the impact of MGNREGA among different social categories besides problems and challenges in the implementation from the people side. The need of the hour is to take this Act seriously and check the loopholes of the Act. This endeavour will not only uplift the under-privileged and socially and economically vulnerable, but also support in making agriculture a viable occupation. The present study is taken up to fill this void in the existing literature by addressing the questions raised above.

**Importance of the study**

The empowerment of the rural poor depends on the availability of employment and increasing levels of income. The study examines the progress made under the Act at the national and Andhra Pradesh level during the last six years in terms of number of job cards, demand for employment, person days, works completed, wage rates and financial
performance. This will be useful to know the extent the scheme had reached the rural poor.

As MGNREGA provides 100 days of employment to the rural poor especially during the lean agricultural season, it improves the socio-economic status of the labour force in rural area. For this purpose, it is necessary to study whether the labourers are getting 100 days of employment through MGNREGA. The study also seeks to understand and identify the issues like provision of employment in time, delays in the payment of wages, provision of minimum facilities at the worksite, like first aid, drinking water, child care facilities at the work site and shade. Further, the present study also examines the awareness of the rural poor about various provisions of the Act, which is stated earlier as one of the challenges in the implementation of the programme.

The study also aims to understand and identify the problems in the implementation of the Act from the people such as quality of the works executed under the scheme, irregular muster rolls, delays in the measurement of work, etc. To know the effective implementation of the above programme a detailed study at the grass root level is necessary and for this reason, the present study has its own significance.

As the present study addresses the questions discussed above, besides other relevant issues, the study assumes greater importance. The successful implementation of the programme would go a long way in making at least a dent in the massive problem of poverty and unemployment. It is
expected that the Government has to strengthen its implementation and monitoring mechanism to ensure financial and operational sustainability. The Act will be very effective in addressing the acute problem of poverty in India. Therefore the study on the implementation of MGNREGA and the associated problems would throw light on the impact of the successful implementation of the Programme. This study will be useful for the policy makers, researchers and others who have a keen interest in the implementation of the Act.

**Objectives of the Study**

Keeping in view the importance of the study, the following are the objectives of the study.

(1). To examine the progress made under MGNREGA during the last six years at the India and Andhra Pradesh level.

(2). To find out the socio-economic profile of the sample respondent households under MGNREGA.

(3). To discuss the MGNREGS registration and working details of the sample respondents

(4). To identify the problems and challenges in the implementation of the MGNREGA

(5). To examine the changing livelihoods of the sample rural poor through MGNREGS.

(6). In light of the above, to suggest suitable remedial measures for facilitating early achievement of the objectives of the MGNREGA.
Methodology

The study uses both primary data and secondary data. Multi-stage random sampling method is used for the present study to collect primary data. Guntur and Warangal districts of Andhra Pradesh were randomly chosen for the present study. In the second stage, five mandals were selected from each district. In the third stage, one village was selected from each selected mandal. Thus, a sample of 10 villages was selected for the purpose of the study. In the final stage, a sample of 48 respondents was selected randomly from each village. Thus a sample of 480 households was selected for the study. Primary data was collected from these 480 sample respondents using pre-tested questionnaire.

Secondary data was collected from books, journals, articles, internet and from various reports of the Ministry of Rural Development, Government of India and the Ministry of Rural Development, Government of Andhra Pradesh. Most of the statistical data regarding MGNREGA implementation was collected from the national as well as state website of the MGNREGA. Secondary data was also collected from NSSO data, various Census reports, Statistical Abstract of Andhra Pradesh, economic survey reports, district handbooks, etc.

SPSS Software is used to process the primary data. Cross tables were drawn for analyzing the data. A substantial part of the thesis was based on tabular analysis. Suitable and appropriate statistical tools such as percentages were used. Test of significance of the data was carried out using Chi-square test.
Major findings of the study

The study consists of Forward Castes (OC), Other Backward Classes (OBC), Scheduled Castes (SC) and Scheduled Tribes (ST). Sample respondents from OC Category constitute 54.8 per cent, from OBC category, 22.7 per cent, from Scheduled Caste category, 14.8 per cent and from Scheduled Tribe category, 7.1 per cent.

As regards age of the sample respondents, the present study consists of adults of all age groups. It is revealed from the study that the youngsters (21-35 years) and the middle aged (36-60 years) constitute more than 90 per cent of the sample respondents.

In the present study, about two thirds of the sample respondents are male, while the rest about one third of the sample respondents are female.

With regard to literacy level of the sample respondents, it is found from the study that around 72 per cent of the respondents have completed primary education. It is also observed that about 20 per cent of the sample respondents are illiterates. Though a majority of the sample respondents are literates, they have completed primary education only.

Regarding marital status of the sample respondents, it is revealed from the study that a huge percentage of the
respondents are married, whereas a small percentage of the respondents are either unmarried or divorced or widowed.

As regards the type of family of the sample respondents, it is evident from the study that nearly 93 per cent of the sample respondents live in nuclear families, while the rest around 7 per cent of the sample live in joint families.

An analysis of the household size of the sample respondents reveals that a majority of the respondents’ household size ranges from 3 to 4, while a significant percentage of the sample respondents’ household size ranges from 5 to 6.

Regarding the major source of income of the sample respondents, it is obvious from the study that most of the sample respondents get their income by working as agricultural labourers.

As regards the type of residential accommodation of the sample respondents, it is revealed from the study that a huge percentage of the respondents live in RCC houses.

An analysis of the landholdings size of the sample respondents shows that about two fifths of the sample respondents are landless and the rest of the respondents possess marginal landholdings.
With regard to annual income of the sample respondents, it is found from the study that annual income ranges from Rs.25000/- to Rs.50000/- in the case of about three fifths of the sample respondents.

An analysis of annual expenditure of the sample respondents reveals that annual expenditure is less than Rs.10000/- for about one third of the respondents, while it ranges from Rs.10000/- to Rs.25000/- in the case of about two fifths of the respondents.

As far as the source of information regarding MGNREGA to the sample respondents is concerned, it is obvious from the study that the sample respondents obtain information about the rural employment programme from various sources such as Gram Panchayat, wall writing, Self Help Groups (SHGs), Public meetings, and print and electronic media. It is observed from the study that a majority of the sample respondents obtain information from the Gram Panchayats.

As regards mechanism of registration, it is evident from the study that three fifths of the sample respondents applied for registration through oral request, while about one fifth of the sample respondents applied for registration through Grama Sabha.
With regard to issue of job cards, it is found from the study that despite the guidelines to issue job cards free of cost, the entire sample respondents are being charged money for getting job cards. Some money is demanded in the name of the photograph and the preparation of the job card.

Regarding custody of job card, the study finds that that nearly two thirds of the sample respondents keep their job cards at them, whereas one fifth of the sample respondents keep their job cards with the Mates.

As regards making of entries in the Job Card, it is found from the field survey that no entries are made on job cards about the type of work being done, duration of the work, etc.

With regard to mode of applying for the work, it is evident from the study that the entire sample respondents apply for work through the Field Assistants.

With regard to provision of employment within 15 days of application, it is observed from the study that a huge percentage of the sample respondents get work within fifteen days of application.

It is found from the field survey that no unemployment allowance is paid to the workers though the work is not provided within the stipulated time to some of the sample respondents.
As regards payment of extra wage in case if employment is provided beyond 5 km of radius, it is observed from the study that extra wages are being paid for the works beyond 5 kms. of radius.

An analysis of distance between the place of work and residence of the sample respondents, it is deduced from the study that works completed under the programme are within 5 kms. radius in the case of about two thirds of the sample respondents.

Regarding households, who completed 100 days of employment under the scheme on an average in a year, it is obvious from the study that merely a negligible percentage of the sample respondents has completed 100 days of employment in a year while 70 per cent of the sample households have 75-100 days employment under the scheme.

An analysis of reasons for not attending 100 days of employment, it is found from the field survey that they prefer high wage rate work rather than attend work under the scheme. Further, there are delays in allotment of work after applying for work, besides delayed payments.

Regarding Social Audit, it is found from the field survey that social audit is not done regularly. It is inferred from the study that only a negligible percentage of the sample respondents attend social audit (4.2 per cent).
An analysis of the reasons for not attending social audit reveals that sample respondents didn’t know when the social audit would be held. Further, they felt that they are not well educated and *per se* they didn’t participate in the social audit actively. Some of the wage seekers reported that they attend for some other wage work instead of wasting time by attending social audit.

As regards awareness of the sample respondents about various features of the MGNREGA, it is found from the study that as many as 84 per cent of the sample respondents reported awareness about the guaranteed days of employment. Merely around 18 per cent of the sample respondents are aware about issue of dated receipts for the work applications made. More than four fifths of the sample respondents are aware about the time limit for providing of employment and about provision of employment within a radius of five kms. and payment of extra wages if the radius is beyond five kms. More than half of the sample respondents are unaware of choice of time and duration of the work applied for. Two thirds of the sample respondents reported that they are not aware about all the worksite facilities.

As regards proper maintaining of muster rolls, it is noticed from the study that about 91 per cent of the sample respondents reported that muster rolls are fudged. It is found from the field survey that there is understanding among the wage seekers.
With regard to measurement of the works done by the sample wage seekers, it is clear from the study that there is delay in the measurement of the work by the Technical Assistant in the opinion of about half of the sample respondents. The study finds that lack of sufficient human resources is the cause for the delay in the measurement of the work.

Regarding payment of wages, it is found from the study that there is no underpayment of wages. The implementing agencies pay the exact wage amounts to the sample wage seekers. Sample respondents expressed their dissatisfaction over payment of wages based on the measurement of the work. They reported that they get different wages for different works and the measurement of work is not done properly. It is evident from the study that about two fifths of the respondents reported that there is delay in the payment of wages. It is found from the field survey that delay in the work measurement results in delayed payments. Further, delay in data entry at the Mandal level cause delays in the payment of the wages.

As regards selection of works, it is revealed from the study that more than 90 per cent of the respondents are found to be satisfied with the proper selection of work.

Regarding problems at the worksite, it is observed from the study that as many as 94 per cent of the sample respondents
reported no problems in the execution of the works under the scheme.

> Regarding procurement of tools and implements at the worksite, it is revealed from the study that about four fifths of the sample respondents reported that they are facing problems as regards procurement of tools at the worksite since they are not able to procure them at their own cost.

> As regards worksite facilities, it is found from the field survey that one of the wage seekers in the group is entrusted with the task of arranging drinking water at the worksite. It is deduced from the study that only one tenth of the sample respondents reported that first aid facility is available at the worksite. It is noticed from the study that only a negligible percentage of the sample respondents reported availability of crèche facility at the worksite. It is evident from the study that shade facility is not provided at the worksite in the opinion of the more than 90 per cent of the sample respondents.

> As regards awareness of the social audit findings, it is striking to note from the study that a negligible percentage of the sample respondents know the social audit findings.

> Regarding changes in the general wage rates after MGNREGS, it is evident from the study that wage rates got enhanced in the opinion of around three fifths of the sample respondents.
With regard to changes in income due to MGNREGS, the study finds that, by and large, income levels increased after participating in MGNREGS only in the case of about one third of the sample respondents.

As regards changes in the expenditure after working under the MGNREGS, it is noticed from the study that an increase in the expenditure is reported by around three fourths of the sample respondents.

With regard to changes in the savings, it is noticed from the study that around three fourths of the sample respondents reported no change in savings due to MGNREGS.

As regards women empowerment through MGNREGA, it is revealed from the study that women are empowered due to MGNREGS only in the opinion of about one third of the sample respondents. However, it is found from the field survey that those women, who participate in the Scheme, are empowered. In the case of these respondents, it is found from the field survey that connectivity with Gram Panchayats (Villages) and government officials, participation in Grama Sabha (Village meeting) and meetings of the social audit give them a sort of social empowerment. Further, the study finds that earnings of women enhances their status in their family leading to economic empowerment.
As regards impact of MGNREGS on migration, it is noted from the study that nearly two thirds of the sample respondents opined that migration is reduced after MGNREGS.

Regarding overall improvement in livelihood conditions of the rural poor due to MGNREGS, it is obvious from the data that overall livelihood conditions changed in the case of three fifths of the sample respondents after MGNREGS.

An analysis of spending pattern of the wages earned under MGNREGA shows that sample respondents spend these wages for a variety of purposes such as buying of food grains, expenses on household activities, health expenses, buying durable assets and clearing debts. It is noticed from the study that one third of the sample respondents spend this amount to meet household expenses, while another one third of the sample respondents spend this amount to clear their debts.

As far as usefulness of the works undertaken under MGNREGS to the village is concerned, it is revealed from the study that the works undertaken under the study are very helpful to their villages in the opinion of the huge percentage of the sample respondents.

Conclusion

To conclude, majority of the sample respondents knew about MGNREGS through Gram Panchayats. The largest percentage of the sample respondents registered for the scheme through oral request. The
Panchayats are collecting money to issue job cards in the name of the photograph and preparation of the job card. A majority of the sample respondents keep their job cards at them. Proper entries are not made in the job cards. The sample respondents apply for the work through the Field Assistants. By and large, employment is being provided within the stipulated period. Extra wages are being paid in case the radius is beyond 5 kms. However, majority of the sample respondents are working within 5 kms radius. A majority of the households completed 75 – 100 days of employment days on an average in a year. Attendance at social audit is found to be very poor.

Majority of the sample respondents reported awareness about the guaranteed days of employment. Merely around 18 per cent of the sample respondents are aware about issue of dated receipts for the work applications made. A huge percentage of the sample respondents are aware about the time limit for providing of employment and providing of employment within a radius of five kms. As many as two thirds of the sample respondents reported that they didn’t aware about all the worksite facilities. Majority of the sample respondents are not in the know about choice of time and duration of the work applied for. Muster rolls are found to be fudged. Unemployment allowance is not being paid in the study area though the work is provided beyond the stipulated period. There is delay in the measurement of the work by the Technical Assistant as reported by about half of the sample respondents. There is delay in the payment of wages as reported by around two thirds of the sample respondents.
Majority of the respondents are found to be satisfied with the proper selection of the works. There are no problems in the execution of the works under the scheme. Sample wage seekers face problems as regards procurement of tools at the worksite since they are not able to procure them at their own cost. Worksite facilities such as first aid, crèche and shade facility are not being provided at the worksite. Only drinking water facility is being provided at the worksite. A negligible percentage of the sample respondents know social audit findings.

MGNREGS resulted in enhancing general wage rates in the opinion of the majority of the sample respondents. Only about one third of the sample respondents reported increase in income after MGNREGS, while around three fourths of the sample respondents reported increase in expenditure after working under the Scheme. No change in savings is observed in the case of huge percentage of the sample respondents. More or less one third of the sample respondents opined that women are empowered due to MGNREGS. A majority of the sample respondents reported that migration is arrested. Three fifths of the sample respondents opined that, by and large, their livelihood conditions changed. Sample respondents spend wages earned under the scheme to meet household expenses, to clear debts, to buy food grains, etc. Most of the sample respondents opined that works undertaken under the scheme are useful to their villages. Chi-square test results showed significant relationship among the variables studied.
Policy implications

In view of the findings of the study, the following suggestions are offered for effective and efficient functioning of the Mahatma Gandhi National Rural Employment Guarantee Scheme.

➤ Steps should be taken immediately to publicize the various features of the MGNREGA by using both print and electronic media as awareness of various features of the Act would enable more rural people to participate in the Scheme actively.

➤ The rural poor should be encouraged to attend for work for 100 days as the study finds that sample wage seekers are not completing 100 days of work.

➤ Rural women should be encouraged to participate in the scheme in view of their significant contribution to the rural economy.

➤ Steps should be taken to ensure provision of necessary tools and implements at the worksite.

➤ Stringent action should be taken against the Officials, who demand and collect money for issuing job cards. People should be encouraged to give complaints in such cases.

➤ Steps should be taken to ensure payment of unemployment allowance in case the work is not provided within the stipulated time.
➢ People should be encouraged to demand the work whenever they are free to work rather than attend work whenever the Field Assistants/Other Officials direct them to do so.

➢ Proper care should be taken to monitor fudging of the muster rolls. To ensure proper maintenance of the muster rolls, Mates of the Group be changed in regular intervals.

➢ Delay in the work measurement and data entry at the Mandal levels be checked so as to make the payments within the stipulated time.

➢ Necessary human resources should be employed for the measurement of the work and also for data entry at the Mandal levels.

➢ Teams should be set up to check the muster rolls and job cards. Making of entries in the job cards should be checked meticulously.

➢ People should be encouraged to actively participate in social audits.

➢ Steps should be taken to provide all the worksite facilities stipulated in the Act.

It is hoped that if all the above suggestions are taken into consideration, the objectives of the MGNREGA would surely be achieved.

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