Chapter – 8

CONCLUSIONS FINDINGS AND SUGGESTIONS
India is predominantly rural. Large number of people is living in rural areas. In rural India, unemployment, underemployment, poverty, lack of infrastructure facilities is common. To mitigate these problems, the Government of India has identified several rural development programmes. Among them, wage employment programmes are in force since Independence. The important aim of various Five-Year Plans is to create employment opportunities for millions of rural poor every year. These wage employment programmes are intended to provide employment opportunities to rural poor, during lean agricultural seasons and also during famine, floods and other natural calamities.

The most important wage employment programmes are; Rural Works Programme (1960-61), Crash Scheme for Rural Employment (1971-72), Pilot Intensive Rural Employment Projects (1972), Employment Guarantee Scheme of Maharastra (1972), Food for Work Programme (1977), National Rural Employment Programme (1981), Rural Landless Employment Guarantee Programme (1983), Jawahar Rojgar Yojana (1989) and Jawahar Gram Samridhi Yojana (1999). These wage employment programmes are unable to yield desired results, as they are not statutory. As such the united progressive alliance in its Common Minimum Programme (CMP) of 2004, promised to provide statutory 100 days wage employment in a financial year to the rural poor. Soon after taking the reins of government, the UPA Government started to prepare modalities for introduction of a draft Bill in Parliament. The Bill was passed by both the Houses of Parliament in September 2005. A Special National Rural Employment Guarantee Scheme was formally launched in February 2006 in Anantapur District of Andhra Pradesh by Prime Minister Manmohan Singh. The scheme was renamed as
Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) on 2nd October 2009, in honour of father of nation Mahatma Gandhi, who declared India lives in villages.

As such the present study was undertaken to examine the pros and cons of the new scheme with special reference to administrative mechanism. The study was carried out with the objectives of tracing the origin of wage employment programmes, to discuss the role of administrative agencies in the implementation of the scheme. The study also intended to discuss the socio-economic profile and progress of the Scheme in study area. The study also focuses on financial administration of the Scheme and perceptions of beneficiaries on the scheme.

The data for the study was collected both from primary and secondary sources. The primary data was collected through a specially designed interview schedule. The secondary data was collected from the reports of Central, State, District and Mandal level and from official records.

To assess the impact of the scheme one Mandal from each Revenue Division of Anantapur District was selected. From each Mandal 100 beneficiaries are selected. In all 300 beneficiaries perceptions were recorded and presented in systemic manner.

The MGNREGA enacted by Indian Parliament has some special features. It is obligatory for wage seekers to register their names in respective Gram Panchayats. It guarantees at least 100 days of wage employment to all the adult members of a family in financial year, who shows interest to do unskilled work. It is important to note that there is no maximum limit for a
family to work under the scheme. Another notable feature of the programme is that if the job seekers cannot be absorbed in an ongoing work, a minimum of 50 job seekers can start a new work. The wage seekers will be paid wages as per the Minimum Wages Act, which is decided by respective State Governments. The Act gives special attention for separate administrative mechanism from top to bottom.

The Act also specifies special provision for the payment of unemployment allowance to those wage seekers, who failed to provide employment within 15 days of their registration. Under the scheme seven types of works are specified to be undertaken. Besides these works, other works will be notified by Union Governments. To carry out these works there is a special plan for implementation shelf of works. There is a special provision to prepare a Rural Standard Schedule of Rates for various works undertaken under the scheme. The Act specifies that at least 50 percent of the works have to be allotted to Gram Panchayats. The other departments will undertake other works. The executive agencies after completion of specific work have to prepare work completion report. All the works undertaken will be monitored by social audit. To develop transparency in the implementation of the scheme, the Act envisage, wall writing at the walls of each Gram Panchayat. For proper monitoring and evaluation of the scheme at least 10 percent works have to be supervised by the district level officers and 2 percent by state level officials.

The Scheme has been initially launched in 200 underdeveloped districts and extended to another 419 districts in the country in phased
manner. At present 619 districts were covered by the scheme. Almost all the rural districts are covered under the scheme. The participation rate of SC, ST households as well as women is gradually increasing year after year. The average person days per households has not crossed half of the minimum statutory requirements in different states of India.

In consonance with MGNREGA, the Andhra Pradesh State Government issued guidelines for the implementation of the scheme in January 2006. In first phase 13, districts of the state were covered under the scheme. Now all the 22 rural districts in the state except urban District of Hyderabad are covered under the scheme. The over all participation of households in the scheme is gradually increasing. The average wage for each household is also enhancing year after year.

Anantapur was made a district in 1882 during British colonial rule, by separating from Bellary District. In 1910, about 10 Mandals of Kadapa District were added to the Anantapur District. Due to states reorganization in 1956, five more Mandals of Bellary District were added to Anantapur District. The district is predominantly rural, where 74.74 percent of people living in rural areas. The Scheduled Castes and Scheduled Tribes together constitute 17.5 percent. The climate in the district is dry in nature throughout major part of the year. The forests in the district are very thin and scanty. All the rivers flowing in the district also remain dry throughout the year. The total cropped area in the district is 60.31 percent. Only 14.08 percent of the cropped area is irrigated by various sources. For administrative purpose all the Mandals in the district are accommodated in to three Revenue Divisions. In the district there are 138 nationalised commercial bank branches, 86 regional rural bank
branches, 19 cooperative bank branches and 38 branches of other financial institutions. As the district is located rain shadow area, famines are quite common. The history of the district revealed that the district subject to famines at least thrice in a decade. Keeping in view of this the government of India as well as Government of Andhra Pradesh extended all rural development programmes to the district. As such MGNREGS was launched in Anantapur District.

The success or failure of any rural development programme depends upon the administration. It is stressed by several administrative thinkers. As such the MGNREGA specified special provision for the administration of the scheme. At Central level, the Central Employment Guarantee Council will look after the matters relating to implementation, supervision, monitoring and grievance redressal. It consists of members from Union Ministers to ZP Chair Persons. On the other hand the State Employment Guarantee Council consists of 8 types of members and other supporting staff. The term of non-official members is 5 years and official members as long as they continue in their respective positions. The SEGC will undertake the evaluation of the scheme in the entire state. The Commissioner of Rural Development acts as the State Programme Coordinator of the scheme. He is assisted by Director EGS, State Programme Managers, Financial Manager etc. As per the guidelines AP State Government, the independent agencies of government like SERP, APARO, APSCCFC etc will also take part in the administration.

For the implementation of the scheme at district level, a separate EGS Unit was formed. The District Collector acts as a District Programme
Coordinator, and he is assisted by Additional District Programme Coordinators Project Director of DWMA, Project Director DRDA, Project Officer of ITDA (only in Agency Areas) and Chief Executive Officer of Zilla Parishad. Each dignitary performs his respective functions allotted to him in the implementation of the scheme.

At Mandal level, the Mandal Parishad Development Officer acts as the administrative incharge of the scheme. In discharging his duties he is assisted by Assistant Programme Officer, EGS Engineer, Technical Assistant and Account Assistant Cum Computer Operation in proper implementation of the programme. At Mandal level except MPDO all other staff mentioned above is specially recruited for the implementation of the programme. At village level Panchayat Secretary and Field Assistant helps in the implementation of the programme. Besides these functionaries, the community based organisastions like non-governmental organisations and labour groups also took part in the implementation of the scheme in some areas. For Capacity Building separate cells are established at all levels. These cells disseminate the information with regard to special planning mechanism, by which the programme is to be implemented.

A close observation of the administrative mechanism of the scheme reveals that at Central, State and District level there is no separate functionaries. The higher Government officials, who are looking other administrative matters of government, were assigned additional burden of implementing the programme. At Mandal level APO, Technical Assistant, Accounts Assistant is specific functionaries of the programme. At village level also only Field Assistants are specially recruited for the implementation of the
scheme. Besides the local bodies from grass root level to district level took part in the implementation of the programme in their respective spheres of activity.

Administration and finance go hand in hand. Finance is the fuel for running of the government as well as governmental programmes. As such the MGNREGA prescribed special arrangements for the financial administration of the scheme. As a centrally sponsored scheme, MGNREGS is funded in 90:10 ratios by Central and State Governments respectively. The Central Government will bear the costs relating to wages of unskilled workers, 75 percent of material cost and administrative expenses. To make the funds available for the scheme at Central a separate National Employment Guarantee Fund is created. The Central Government will release the funds, subject to certain conditions like submission of Audit Report, Utilisation Certificate, Non-embezzlement certificate etc. The year wise allocations for the programme by Central Government are gradually increasing year after year. There is a large gap between releases of funds and expenditure.

The state funds are utilised to bear the 25 percent material cost, unemployment allowance and specific administrative expenses. At state level also there are wider gaps between fund allocations and expenditure. At district level, the District Programme Coordinator receives all the funds released by Central and State Governments. The received funds will be spent on three heads, ie, work cost, administrative cost and publicity cost. Large amount at district level is spent on wages. In Anantapur District also there is a gap between releases of funds and expenses. The DPC authorise the MPDO to issue pay orders, cheques and to operate funds at Mandal level. Under the
category of work cost the MPDO pays amount for 14 types of costs, under administrative cost, MPDO disburses amount for 12 categories and under publicity cost category MPDO pays amount to two types of costs. The MPDO makes all payments through pay orders. For every type of payment, there is a specific time limit. At Gram Panchayat level, respective Gram Panchayat opens Savings Account and pays remuneration through this account. The village organisation which is running by women disburses individual wage slips.

As per the Act every wage seeker has to open a separate savings bank account either in a nationalised bank or in a post-office. For the payment of wages there is a specific time limit for banks and post-offices. The act also envisages a special accounting and audit system to bring financial transparency in the implementation of the scheme. To enhance social control on the scheme, social audit is introduced.

In Anantapur District, migration of labour is common due to prevailing dry weather conditions. The introduction of MGNREGS is considered as a boon for rural labourer irrespective of their social status. The participation of Backward Classes is high, compared to other social categories. The percentage of registered households, participating in the programme works is different in different social categories as well as in different years. But there is gradual increase in the participation rates. The average household wage ranges between Rs.83.45 to 97.55. The participation rate of women is higher than the men during four years of study. But the average wage of men is slightly higher than women wages. The number of households which completed 100 days is gradually increasing, but it is not up to the mark. Still
more than half of the households provided employment is less than 50 days. The number of works in progress out numbering the number of works completed. As the district is drought prone, the works relating to water conservation and harvest tops the list of works. In the district more than 97 percent of works were executed by the Gram Panchayats. The participation rate of SHG women and disabled is also gradually increasing. In case of sample Mandals, more or less same trends can be observed with small variations.

Findings of the Study

After interacting with the beneficiaries and thorough analysis of the collected data it has been found that;

❖ The number of registered households under this programme remained constant during four years of its implementation in Anantapur District as well as in the sample Mandals.
❖ There is a large gap between the number of registered households and actual number of households working. The percentage of working households never crossed the figure of 51 percent in the district as well as sample Mandals.
❖ The statutory minimum 100 days of wage employment is provided to less than one-fourth of households in the study area.
❖ More than half of the workers engaged in MGNREGS are women. But the average wage earned by them is less than men in the study area.
❖ Highest number of person-days of employment was created for water harvesting and conservation work in the study area, which seems to be appropriate given its drought proneness.
❖ The Engineering Department of Panchayat Raj and Gram Panchayats are executing majority of works under this scheme.

❖ More than half of the beneficiaries of the scheme are not aware of minimum wages.

❖ Most of the beneficiaries agreed that this scheme is useful for rural labourer.

❖ About 80 percent of beneficiaries identified either one kind or other kind of irregularities in the implementation of the scheme.

❖ This scheme has a positive impact on the daily wage rates in the agriculture and its allied sectors.

❖ The study reveals that the amount of migration of rural labour declined after the implementation of scheme.

❖ This programme has positive impact on the creation of durable assets in the study area.

❖ Almost all the beneficiaries of the scheme hails either from poor or very poor families.

❖ Large number of respondents is aware of irregularities in MGNREGS scheme. Nearly 80 percent of the respondents said false muster rolls as the primary source of irregularities.

❖ The study reveals that large number of respondents reported positive impact of the programme on their income.

❖ The number of job card holding families is constant for four years of study. It means that the programme failed to register new households which have lost employment due to natural calamities.

❖ The use of machinery was reported by 6 percent of respondents which means that there is no proper supervision over the implementation of the programme.
Equal pay for equal work come in to vogue with this programme.

There is large gap between the allocation of funds and expenditure which means that the concerned authorities failed to recognise sufficient works to undertake under the scheme.

There is a wider gap between the works sanctioned and works completed in the study areas.

The administrative cost is gradually reducing, which is a welcome move.

This Scheme is a unique wage employment programme when compared to past wage employment programmes as it guarantees statutory 100 days of employment per annum. It is paradigm shift as it recognised Right to Work as a legal right. The specifications of the programme includes employment allowance to those wage seekers who could not be accommodate under MGNREGA within 15 days of applying for work, payment of wages through post offices and Banks, work site facilities like shade, crèche, drinking water, etc, travelling allowance in case of works provided 5kms away from the village, etc.

In the implementation of the programme, irregularities like false muster rolls, corruption, false measurement and delay in payment of wages are identified. Besides the role of Gram Sabha in the identification of works is almost nil and coordination of line departments is missing. If these loopholes and irregularities are properly rectified then the goals of the programme can be achieved. But when compared to previous wage employment programmes, it is a better in respect of people’s participation and implementation.