CHAPTER I

INTRODUCTION

1.1. INTRODUCTION

India has become the second most popular and the fourth largest economy in the world and it is also one of the most poverty-stricken countries. Seventy percent of people live in rural area. Poverty is widespread in India, and the nation is estimated to have a third of the world’s poor. Historically, developing economies including India have been plagued by skewed distribution of nation’s resources leading to poverty, illiteracy, low consumption and investment, lagged growth and the like. Development economists have often cautioned that unless poverty is eradicated, growth potential of an economy cannot be harnessed justifiably. The key to the redistribution of resources lies in the creation of employment opportunities for the poor.

In the context of poverty and unemployment, welfare programmes have been an important tool to alleviate the above problem in developed as well as developing countries for many years. In countries with high unemployment rates, transfer benefits from welfare programmes can prevent poverty from worsening, especially during lean periods. Eradication of poverty in India is generally only considered to be a long – term goal.
Since 1950s, the Indian Government and non-governmental organizations (NGO) have initiated several programmes to alleviate poverty, including subsidizing food and other necessities, increased access to loans, improving agricultural techniques and price supports, and promoting education and family planning. India has a long history of direct and targeted interventions to fight poverty through it. Economic reforms were introduced in India in 1991, after which there is a great deal of discussion on its impact on growth, employment and poverty in rural areas. Rural poverty and unemployment in India have grown in an unprecedented manner during the last few decades.

Poverty is defined in terms of income expenditure and nutrition value. A number of employment generation and poverty eradication policies have been implemented by Indian Government since Independence. In this series, Government of India has introduced one of the world’s the largest development programme in human history with a new concept, i.e. Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP). MGNREGP is one of the historic pieces of legislation in independent India. It is a right based social protection initiative which guarantees 100 days of employment to any rural household whose adult members are willing to do unskilled manual work in every financial year. This scheme came into force in 200 districts across the country initially on 2nd February 2006. Later it extended to all districts in the country from April 2008 onwards.\(^1\)
According to Mihir Shah Committee Report (2012), “Over the last six years, the Mahatma Gandhi National Rural Employment Guarantee Act has delivered the largest employment programme in human history, which is unlike any other in its scale, architecture and thrust. Its bottom-up, people-centred, demand-driven, self-selecting, rights-based design is new and unprecedented. Never have in such a short period so many crores of poor people benefited from a government programme”. One of the main objectives of the scheme is to alleviate poverty by providing 100 days of employment to rural poor households in a year. In fact, a huge amount of money is being spent for this scheme every year. In 2012-13, India’s expenditure on MGNREGP was estimated to be Rs.40,100 crores and over the last six years, the government has spent a total expenditure of over Rs.1,50,000 crores.

1.2 DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)

The District Rural Development Agency (DRDA) has traditionally been the principal organ at the District level to oversee the implementation of different anti-poverty programmes. Since its inception, the administrative costs of the DRDAs were met by way of setting apart a share of the allocations for each programme.

However, of late, the number of the programmes had increased and while some of the programmes provided for administrative costs of the DRDAs, others did not. There was no uniformity among the different programmes in the provision
of administrative costs. Keeping in view, the need for an effective agency at the
district level to coordinate the anti-poverty effort, a new Centrally Sponsored
Scheme for strengthening the DRDAs was introduced with effect from 1st April,
1999. Accordingly, the administrative costs were fulfilled by providing a separate
budget provisions. This scheme which is funded on a 75:25 basis between Centre
and States, aims at strengthening and professionalising the DRDAs.

If effective programme design is crucial to successful implementation of
rural development programmes, the same is applicable to delivery agency. None
of the anti-poverty programmes can have impact unless they are implemented with
clarity of purpose and a commitment to the task. It is here that the DRDAs play a
crucial role. The DRDA is not simply the implementation agency but it also
oversees the implementation of different programmes and ensures whether
necessary linkages are provided. Thus DRDA is a supporting and facilitating
organization. It plays a very effective role as a catalyst in development process.

The District Rural Development Agency is visualised as a professional
agency, capable of managing the anti-poverty programmes of the Ministry of
Rural Development on the one hand and to effectively relate these to the overall
effort of poverty eradication in the District on the other. In other words, while the
DRDA will continue to ensure effective utilization of the funds intended for anti-
poverty programmes, it needs to develop a greater understanding of the processes
necessary for poverty eradication. It needs to develop the capacity to build
synergies among different agencies involved for the most effective results. It will
therefore has to develop distinctive capabilities rather than perform tasks that are
legitimately in the domain of the PRIs or the line departments. The role of the
DRDA will therefore be prominent from all the other agencies.

DRDAs must themselves be more professional and should be able to
interact effectively with various other agencies. They are expected to coordinate
with the line department, the Panchayati Raj Institutions, the banks and other
financial institutions, for supply of resources required for poverty reduction effort
in the district. It shall be their endeavour and objective to secure inter-sectoral and
inter-departmental coordination and cooperation for reducing poverty in the
district. It is their duty to coordinate and bring about a convergence of approach
among different agencies for poverty alleviation and would set them apart. The
DRDAs are expected to coordinate effectively with the Panchayati Raj
Institutions. They are not supposed to perform any functions of PRIs.

The DRDAs will maintain their separate identity but will function under
the chairmanship of the Chairman of Zilla Parishad. They are expected to be a
facilitating and supporting organization to Zilla Parishad, providing necessary
executive and technical support in respect of poverty reduction efforts. Wherever
the Zilla Parishads are not in existence or are not functional, the DRDAs would
function under the Collector/District Magistrate/Deputy Commissioner, as the
case may be. The DRDAs are expected to oversee the implementation of different anti-poverty programmes of the Ministry of Rural Development in the district. This should not be confused with actual implementation, through Panchayati Raj and other Institutions. The DRDAs will monitor the implementation with the help of periodic reports as well as frequent field visits. The purpose of the visit should be to facilitate the implementing agencies in improving implementation process, besides ensuring that the quality of implementation of programmes is high. This would include overseeing whether the intended beneficiaries are receiving the benefits under the different programmes. It is the duty of the DRDAs to oversee and ensure that the benefits specifically earmarked for certain target groups (SC/ST, women and disabled) reach them. They shall take all necessary steps to achieve the prescribed norms.

The DRDAs take necessary steps to improve the awareness regarding rural development and poverty alleviation, particularly among the rural poor. This would involve issues of poverty, the opportunities available to the rural poor and generally infusing a sense of confidence in their ability to overcome poverty. It would also involve sensitizing the different functionaries in the district to the different aspects of poverty and poverty alleviation programmes.

The DRDAs will strive to promote transparency in the implementation of different anti-poverty programmes. Towards the end, they shall publish the details of the different programmes and their implementation. Viewing the substantial
investment being made in poverty alleviation programmes, the DRDAs will ensure financial discipline in respect of the funds received by them, whether from Central or State Governments. They also ensure whether the accounts are properly maintained including the funds allocated to banks or implementing agencies in accordance with the guidelines of different programmes.  

Thus the role of the DRDA is in terms of planning for effective implementation of anti-poverty programmes; coordinating with other agencies—Governmental, non-Governmental, technical and financial for successful programme implementation; enabling the community and the rural poor to participate in the decision making process, overseeing the implementation to ensure adherence to guidelines, quality, equity and efficiency; reporting to the prescribed authorities on the implementation; and promoting transparency in decision making and implementation. In addition the DRDAs coordinate and oversee the conduct of the BPL Census and such other surveys. They also carry out or help in carrying out action research or evaluation studies initiated by the Central/State Governments.

The DRDAs deal only with the anti-poverty programmes of the Ministry of Rural Development. If DRDAs are to be entrusted with programmes of other ministries or those of the State Governments, it should be ensured that these have a definite antipoverty focus. Any programme of the DRDAs, other than anti-poverty programmes of the Ministry, be it of any other Ministry of Government of
India or the respective State Government it will have to be done with the approval of the Secretary of the Rural Development of the respective State(s), and it should examine such request in consultation with the Ministry of Rural Development, Government of India. In such cases, it must be ensured that adequate provision is made for requisite staffing needed for proper implementation of the programme.³

1.3 ACT AND SCHEME

Why is it important to have an Act, and not just an employment “scheme”? An Act provides a legal guarantee of employment. This places a judicially enforceable obligation on the State, and gives bargaining power to the labourers. It creates accountability. By contrast, a scheme does not involve any legal entitlements, and leaves labourers at the mercy of Government officials. There have been numerous employment schemes in the past: the Employment Assurance Scheme (EAS), National Rural Employment Programme (NREP), Jawahar Rozgar Yojana (JRY), Sampoorna Gramin Rozgar Yojana (SGRY), National Food For Work Programme (NFFWP), among others. Most of them have failed to bring any security in people's lives. Often people are not even aware of them. There is another important difference between a scheme and an Act.⁴ Schemes come and go, but laws are more durable. A scheme can be trimmed or even cancelled by a bureaucrat, whereas changing a law requires an amendment in Parliament. Under the Employment Guarantee Act, labourers will have durable
legal entitlements. Over time, they are likely to become aware of their rights, and to learn how to claim their due.\textsuperscript{5}

1.4. **POVERTY ERADICATION PROGRAMMES**

As the foundations of Indian freedom movement were built upon economic Nationalism conceptualized around the correlation between colonization and pauperization in the planning for re-construction of Indian polity and economy after freedom, the Gandhian of Hind Swaraj (1909) was an important basis of the approach of rural development movement spread in different parts of post-colonial India under the leadership of Vinoba Bhave under the umbrella of Sarvodaya.

The Government implements welfare programmes that offer wage, employment on public works on minimum wages. The wage employment programmes started as pilot project in the form of Rural Man Power (RMP) (1960–61), Crash Scheme for Rural Employment (CSRE) (1971-72), Pilot Intensive Rural Employment Programme (PIREP) (1972), Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural Labour Scheme (MFAL) (1973 – 74) to the poorest of the poor. These experiments were translated into a full – fledged Wage – Employment programme in 1977 in the form of Food for Work Programme (FWP). On 2\textsuperscript{nd} October 1980, this programme was further streamlined into the National Rural Employment Programme (NREP).
It later merged into a much bigger programme called the National Rural Employment Programme (NREP) at the start of the Sixth Plan.\(^6\)

However, an official evaluation pointed out that small and medium farmer also reported to work under the EGS and NREP. This was one motivation for starting the Rural Landless Employment Guarantee Programme (RLEGP) in 1983. In order to monitor performance of infrastructure sector and Twenty Point Programme, the Ministry of Programme Implementation (MPI) was created on 25\(^{th}\) September 1985. Other programmes are, Jawahar Rozgar Yojana (JRY 1993–94) Employment Assurance Scheme (EAS). The Jawahar Rozgar yojana (JRY) was merged with SJGSY (Swarna Jayanthi Gram Swarojgar Yojana) from 1999–2000 and was made a rural infrastructure programme.

The programme was merged with the Sampoorna Grameen Rozgar Yojana from 2001–02, Sampoorna Grameen Rozgar Yojana (SGRY, 2001), and National Food for work (NFFWP, 2004). The SGRY and NFFWP have been merged with NREGS in 2005.
<table>
<thead>
<tr>
<th>Year</th>
<th>Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960–61</td>
<td>Rural Manpower (RMP)</td>
</tr>
<tr>
<td>1971–72</td>
<td>Crash Scheme for Rural Employment (CRSE)</td>
</tr>
<tr>
<td>1972</td>
<td>Pilot Intensive Rural Employment Programme (PIREP)</td>
</tr>
<tr>
<td>1973–76</td>
<td>Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural labour scheme (MFAL)</td>
</tr>
<tr>
<td>1977</td>
<td>Food for work. Programme (FWP) and Antyodaya Programme</td>
</tr>
<tr>
<td>1980</td>
<td>The National Rural Employment Programme (NREP)</td>
</tr>
<tr>
<td>1983</td>
<td>Rural Landless Employment Guarantee Programme</td>
</tr>
<tr>
<td>1993-94</td>
<td>Jawahar Rozgar Yojana (JRY), Employment Assurance Scheme (EAS).</td>
</tr>
<tr>
<td>1999–2000</td>
<td>The Jawahar Rozgar Yojana (JRY) was merged with JGSY was made a rural infrastructure programme.</td>
</tr>
<tr>
<td>2001</td>
<td>The Sampoorna Gramin Rozgar Yojana (SGRY)</td>
</tr>
<tr>
<td>2004</td>
<td>National Food for Work Programme (NFFWP)</td>
</tr>
<tr>
<td>2005</td>
<td>Notification of NREGA</td>
</tr>
<tr>
<td>2007</td>
<td>NREGA Phase II – Extended Additional 130 Districts.</td>
</tr>
<tr>
<td>2008</td>
<td>NREGA phase III Extended to cover all districts of India.</td>
</tr>
<tr>
<td>2009</td>
<td>NREGA renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)</td>
</tr>
</tbody>
</table>

Source: Indian Economy, V.K. Misra & Puri, 2010
The Maharashtra Employment Guarantee Scheme (MEGS), launched in 1972–73 (had its Act was passed in 1977). The National Rural Employment Guarantee Act, 2005 (herein after referred as NREGA or the ACT) was enacted on 25th August, 2005 and it came into force on 2nd February, 2006. The scheme was renamed after the Father of the Nation Mahatma Gandhi as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on 2nd October 2009.

1.5. BACKGROUND OF THE MGNREGA

The National Rural Employment Guarantee Act passed by the United Progressive Alliance (UPA) Government in 2005, is one of the largest and most ambitious anti-poverty schemes adopted by the Indian Government since Independence.

NREGA was enacted on September 7, 2005 in India. It was implemented in all the districts of India in three different phases. NREGA was launched on February 2, 2006 from Anantapur district in Andhra Pradesh by Prime Minister, Phase I of it was introduced in 2006 in the most backward districts of the country. It was implemented in an additional 130 districts in phase II 2007 – 2008. The Act was notified in the remaining 285 rural districts of India from April 1, 2008 in phase III. The scheme was renamed after the Father of the Nation Mahatma Gandhi as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on 2nd October 2009. The Act aims at “enhancing livelihood
security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work”.

1.5.1 Objective of the MGNREGA

The NREGA was passed in 2008 with twin objectives in mind.

First, it ensured the legal right to work for a hundred days to poor people whoever is willing to work at a minimum wage rate, particularly in the rural areas, which in turn would reduce the flow of rural to urban migration. (Dreze et al. 2006).

In addition to this, another important objective of the Act has been to strengthen the PRIs. (Panchayat Raj Institution).

1.5.2 The major objectives and Goals of MGNREGA

- To enhance livelihood securities through the provision of minimum 100 days of employment to rural households based on their demand.

- To create durable assets and strengthen the livelihood resource base of the rural poor.

- Providing wage employment opportunities

- To work for sustainable development of an agricultural economy.
Empowerment of rural poor through the processes of a rights-based law.

Strengthening rural governance through decentralization and processes of transparency and accountability.

These purposes include stopping the flow of distress rural–urban migration, curbing child labor, alleviating poverty, and making villages self-sustaining through productive assets creation (such as building roads, cleaning up water tanks soil and water conservation works, etc) (Jha.2009). The Act also seeks to create durable assets and strengthen the livelihood resource base of the rural poor.

**FIGURE1.1**

**GOALS OF THE NREGA**

The choice of works suggested in the Act address causes of chronic poverty like drought, deforestation, soil erosion, so that the process of employment generation is on a sustainable basis.

- To initiate new ways of doing business, as a model of governance reform anchored on the principles of transparency and grass root democracy.

**FIGURE 1.2**

**THE BROAD OBJECTIVES OF NREGA**

The broad objectives of MGNREGA are Economic, Political, Social as well as ecological (as displayed in the figure above), although political
considerations seem to be most overriding, especially in the absence of a rigorous conceptual foundation, which can put things together and can evolve a stakeholder cooperation process, which would be mostly self-enforcing in nature.\textsuperscript{9}

1.6. SALIENT FEATURES OF THE MGNREGA

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is the first ever law internationally, that guarantees wage employment in an unprecedented scale.\textsuperscript{10} Salient features of the Act are summarized below.

- Adult members of a rural household, willing to do unskilled manual work, may apply for registration in writing or orally to the local Gram Panchayat.

- The Gram Panchayat after due verification will issue a Job card.

- The Job card will bear the photograph of all adult members of the household willing to work under MGNREGA and is free of cost.

- A job card holder may submit a written application for employment to the Gram Panchayat (GP) stating the time and duration for which work is sought.

- The Job Card should be issued within 15 days of application.

- The period of employment shall generally be at least fourteen days continuously with not more than six days in a week.
After accepting the valid application for work, the Gram Panchayat shall issue a dated receipt to the applicant.

Employment will be given within 15 days of application for work. If an applicant for employment has been sought in the case of an advance application, whichever is later, he/she shall be entitled to a daily unemployment allowance.

Unemployment allowance will be within the liability of the State Government and shall be paid to the applicants of a household subject to the entitlement of the household at such rate as may be specified by the state government.

Unemployment allowance rate shall be less than one-fourth of the wage rate for the first thirty days during the financial year and not less than one-half of the wage rates for the remaining period of the financial year.

Work should ordinarily be provided within 5 km radius of the village. In case, work is provided beyond 5km, extra wages of 10 % are payable to meet additional transportation and living expenses.

Wages are to be paid according to the minimum wages Act 1948 for agricultural labourers in the State, unless the Centre notifies a wage rate which will not be less than Rs. 60/ (US$ 1.33) per day. Equal wages will be provided to both men and women.
Wages are to be paid according to piece rate or daily rate. Disbursement of wages has to be done on weekly basis and not beyond a fortnight in any case.

Priority shall be given to women in such a way that at least one-third of beneficiaries shall be women who have registered and requested for work.

Work site facilities such as crèche, drinking water, shade, emergency healthcare have to be provided.

The list of projects for a village will be recommended by the Gram Sabha and approved by the Zillah Panchayat.

At least 50% of works will be allotted to GPs for execution.

Permissible works predominantly include,

a) Water conservation and water harvesting

b) Drought proofing (including plantation and a forestation)

c) Irrigation canals including micro and minor irrigation works.

d) Flood control and protection works

e) Minor irrigation, horticulture and land development on the land of SC/ST/BPL/IAY (Indra Awas Yojana) and reform beneficiaries.

f) Renovation of traditional water bodies including desist of tanks
g) Land Development

h) Rural Connectivity.

- A 60:40 wage and material ratio has to be maintained. No contractors and machinery are allowed.

- The Central Government bears 100 percent wage cost of unskilled manual labour and 75 percent of the material cost including the wages of skilled and semi skilled workers.

- The State Governments bear the costs of 25% of the cost of material and wages of skilled and semi – skilled workers. Some other administrative costs and the unemployment allowance payable in case the State Government provides wage employment on time.

- Social audit has to be done by the Gram Sabha

- Grievance redressal mechanisms have to be put in place for ensuring a responsive implementation process.

- All accounts and records relating to the scheme should be available for public scrutiny.
1.7. ADVANTAGES OF THE MGNREGA

A. Enabling Articulation of Demand for Employment

Since NREGA is a Rights- based programme, articulation of demand by the rural poor is the basic premise of its operation. The demand process of MGNREGA distinguishes it from other wage – employment programmes and also constitutes its biggest challenge, especially if wage seekers are not literate and not organized. Generating awareness among local rural communities through Information, Education and Communication (IEC) becomes important for enabling the rural poor to articulate demand. States have forged a variety of methods for communication and social mobilization that include preparation of communication material on NREGA processes in simple local language, one day orientations of Sarpanchs / Ward Members, convening Gram Sabhas, using district teams for village level interactions, local vernacular newspapers, TV and radio spots, pamphlets and brochures and local cultural forms. Innovative methods like Information counters on local market days, Village Information Walls, fixing a Rozgar Day in the week and establishing a Helping have also been used. Hence, there is more employment as there is more demand of jobs due to enabling articulation through IEC under this Act which were earlier dormant.
B. Planning for Works and the Quality of Assets Created

The Act guarantees providing employment within fifteen days of demand and the instrument for providing employment is unskilled manual work selected from the list of permissible works. This legal guarantee has implication for the way in which works have to be planned. A Labour Budget has been stipulated under the Act as an instrument to facilitate advance planning, whereby districts estimate their labour demand for the ensuing financial year by December end. Districts prepare self's of projects to keep a list of works ready to meet employment demand. In this way this Act permits us to harness the potential of workforce and helps create infrastructure for the development of the economy.13

C. Record of Work Done and Payment of Wages

The legal guarantee of the Act mandates that wages due to workers be paid within fifteen days of work completion. This requires that a fair record be maintained for the work done. Key factors involved in ensuring this are (a) proper maintenance of muster rolls (b) timely measurement and record in the measurement books (c) realistic formulation and notification of schedule rates.

- **Maintenance of authentic muster rolls**

To ensure authenticity muster rolls are used, numbered muster rolls are to be issued for each sanctioned work by Programme Officer and maintained on the work site by the executing agency. Muster rolls must mention Job Card numbers
of workers, days worked, quantum of work done, the amount paid and must have space for recording inspections. Muster rolls are to be read out on the work – site during measurement and wage payment to prevent bogus records. Entries in the muster roll have to be correspondingly recorded in the Job Cards of the workers. Updating of muster roll data at the block level computers in a 15 days cycle needs to be ensured. All muster rolls are to be made available for public scrutiny on the NREGA website.

- **Measurement and supervision of work done**

  Regular measurement and supervision of works has to be done by qualified technical personnel on time. Measurement needs to be recorded in authenticated measurement books and measurement details need to be read out to workers.\(^{14}\)

- **Schedule of Rates**

  The Act stipulates that a worker working seven hours should normally earn an amount equal to the wage rate. The Act directs that task rates should be fixed so that this objective is fulfilled. The Schedule of Rates needs to be reviewed on the basis of Work – Time – Motion – Studies and be made transparent so that workers know the rates payable for a specific quantum of work.

  By maintaining proper muster rolls and keeping timely measurement and record of the books, supervision of the work can be done easily and also a fair record of the work can be kept, which helps checking any kind of corruption.
D. Vigilance and Transparency

Since the Act seeks to establish a rights-based framework for wage employment, it places a strong emphasis on vigilance and transparency. Key strategies in this direction include:

Management Information System (MIS): A web-enabled MIS www.nrega.nic.in has been developed that seeks to place all information in the public domain. It is a household level database and has internal checks for ensuring consistency and conformity to normative processes. All critical parameters get monitored in public domain: a) workers’ entitlement data and documents such as registration, Job Cards, muster rolls b) work selection and execution data including self-approved and sanctioned works, work estimates, works under execution, measurement c) employment demanded and provided d) Financial indicators such as funds available, funds used, and the disaggregated structure of fund utilization to assess the amount paid as wages, materials and administrative expenses. Since the MIS places all critical data on the web and this data is software engineered, it has significant advantages in terms of transparency as it allows cross verification of records and generation of reports on any parameter of the Act. The aim is to ensure connectivity at the block level on priority and wherever possible, at the Gram Panchayat level a Geographic Information System is also being planned for MGNREGS.15
E. Public Accountability

While placing data in the public domain, monitoring and evaluation, create systems of accountability, the Act contains specific provisions for public accountability which is advantageous for the workforce and others as there would be check on corruption. Based on the statutory directives, a three – pronged strategy for public accountability has been adopted.

1. Proactive Disclosure: Annual Reports on outcomes to the Parliament and the State Legislature are mandated. In addition, the Minister for Rural Development has tabled a statement on MGNREGA in every session, since the passage of the Act.

2. Information upon Payment : Documents have to be made available to the public on payment of a prescribed fee.

3. Social Audit: Social audit of all works in a Gram Panchayat has to be carried by the Gram Sabha and the Gram Panchayat has to provide all its records for the same. Social Audit is a compulsory element in MGNREGA. Social audit processes can be divided into pre social audit processes, processes during social audit and follow – up processes after social audit.
F. Grievance Redressal

Enforcement of the right to employment requires setting up an effective grievance redressal system. The Act vests the responsibility for grievance redressal with the Programme Officer. Efforts are on to strengthen grievance redressal mechanisms at all levels.

G. Strengthening Management Support to MGNREGA

In this Scheme since there is a captive workforce so a lot of projects are being undertaken, and experts are also being hired for the same which helps in better implementation of projects.

a) Central employment guarantees council:

At the state level, 4% of the total cost is to be used as the administrative cost enabling resource for deploying additional personnel critical to implementation, viz. the Gram Rozgar Sewak at the GP level and Programme officer, engineers, IT and accounts personnel at the Block Level.

At the level of the Ministry, the Central Employment Guarantee Council (CEGC) has been set up. CEGC members are actively involved in field visits, social audit along with the State Government / District officials. Executive Committee has been set up and the Technical Secretariat is being set up to infuse multi – disciplinary professional expertise for technical resource support.16
b) Deployment of additional dedicated personnel for MGNREGA:

Learning from the implementation of earlier wage employment programmes, the Central Government has initiated steps to support the management and implementation of MGNREGS.

c) Training:

Another issue critical to strengthening administrative systems pertains to training of different stakeholders. The requirements of training are considerable at all levels and include functionaries, PRIs, and the local vigilance committees.

H. Financial Management

Under MGNREGA, financial resources are released on the basis of demand for employment received in a district. A non-lapsable Central Employment Guarantee Fund has been set up to ensure availability of funds to match working season demands. Labour Budgets are being prepared by Districts to project annual fund requirements based on estimation of labour demand and works proposed to meet it. Fund releases are based on appraisal of both financial and physical indicators of outcomes as:

- Person days generated
- Wage material ratio
- Average work cost and wage paid.
Thus, this Act primarily gives employment to the unemployed people and BPL families and has also led to the creation of infrastructure and development projects.\textsuperscript{17}

1.8. SHORTCOMINGS OF THE MGNREGA

The MGNREGA is being closely monitored by various stakeholders, from policy makers to grassroots organizations. Surveys, both rapid and extensive, are being carried out to assess its implementation on the ground. Reports point out where the Act is lagging behind, and areas where efforts are visible and appreciated.\textsuperscript{18} Some quarters that need to be addressed in order to meet the objectives of the Act are

A. Registration of families

a) Definition of a household

The operational guidelines of the MGNREGA detail a household as a nuclear family comprising mother, father and their children. In addition, a household refers to a single–member family. Despite this explanation, there is still a lot of confusion about the definition of this critical term. For instance, reports from Madhya Pradesh (Dhar district) show that gram Panchayat treat joint families as one household, thus issuing them a single job card. Our country has historically followed the system of joint families; such practices will put joint families in a disadvantageous position.
b) Denial of registration

There are reports from the field point of incidents of denial of registration to single – women – head households and physically challenged individuals. Discrimination based on caste has also been noted in some States like Gujarat. During a survey conducted by participatory research in action (PRIA) in the state of Uttar Pradesh (Sitapur district), women were discouraged from registering. In Gujarat (Sabarkantha district) the aged and physically challenged were denied registration forms.

c) Distribution of job cards

According to data provided on the MGNREGA website, maintained by the Ministry of Rural Development, the percentage of job cards issued to registered households varies across the States. For some States like Maharashtra it stands at 12%, while for others such as Andhra Pradesh it is over 90%.

d) Delay in distribution of job card

The point of concern, however, is not just the percentage of issue of job cards but the percentage of distribution of job cards. Though job cards have been prepared across most States, in many States they have not reached the people, thereby restricting their right to demand work. A probable cause for this is the workload of the Panchayat sevak who undertakes the task of distribution.
B. Application for work and their receipt

a) Unsolicited fees being charged for work application forms

Fees for application forms are being charged in many states like Gujarat, Madhya Pradesh and Jharkhand. The fee ranges from Rs 5 to Rs 50 in some states. Forms are also sold openly in local markets. This flouts the MGNREGA guidelines that state that applications may even be submitted to the gram Panchayat on a plain piece of paper.

b) Non-issuance of receipts

Another general problem noted in the villages is the absence of a system to issue receipts to applicants. This could be because of lack of awareness on the part of the Panchayat sevak and the villagers. Receipt, however, are crucial as a proof of work demanded.

C. Implementation and supervision of MGNREGS works

a) Absence of worksite facilities

The MGNREGA provides for safe drinking water, shade for children, periods of rest and a first-aid at the work site. But a lot has to be done to ensure these facilities, the notable absence of which is a problem that cuts across states.

Small children remain unattended, in the heat. As a consequence, women are hesitant to bring their children to the sites. It also forces them to rethink about applying for work in the first place, Trees act as the only source of shade for the
rural poor working at the sites. The Commissioners of the Supreme Court has advised the states that if need be, temporary shelters must be built for those doing NREGA labour and focuses on the general need to uphold the ‘right to food’, which follows from the fundamental ‘right to life’ enshrined in Article 21 of the Indian Constitution.

b) Presence of contractors

Like in many other rural development programmes, contractors are increasingly becoming a threat to the MGNREGA. Though this may not be very apparent on the surface, private contractors are slowly finding their way into the system. The Act clearly states, that no contractor is permitted in the implementation of the projects.

c) Non-availability of muster rolls at the worksite

It is rare indeed to find muster rolls at the worksites. Reports from across NREGA district show that muster rolls/attendance sheets are being maintained by people at worksites. Rough notebooks and diaries are being used to mark attendance and make wage payment.

d) Shortage of staff and delay in appointments

The Act’s launch was not accompanied by the appointment of additional staff for its implementation. This has resulted in the existing staff being burdened
with additional work. At the Panchayat level, the guidelines specifically advised
the appointment of a ‘rozgar sevak’. Disappointingly, this has not yet been done.
The lack of staff is having a negative impact on the working of the MGNREGA.19

D. Payment of wages

a) Delay in wage payments

Delays in wage payments have always been a matter of concern in previous
employment programmes, and this issue continues to plague the MGNREGA.
Wage payments are delayed for weeks, sometimes months. The time lag varies
from state to state.

b) Payment of less than the minimum wage

In many states, workers do not earn minimum wages. This is a violation of
the Act, which states that the” schedule of rates” should be such that a labourer
working for seven hours would normally earn the minimum wage.20

1.9. IMPACT OF MGNREGA ON RURAL POOR

The major dimensions of the impact of MGNREGA can be summarized as
the following.

❖ Legitimacy to rights based approach about challenge of poverty.

❖ Increased employment opportunities.

❖ Higher participation by SC and ST poor
Increased average wages.

Decline in out migration of landless labour force.

Reduction of hunger

Economic empowerment of poor women.

Children in School

Accessing medical facilities

Relief from rural village moneylenders

Disengagement from hazardous work.

Rural asset formation

Improvement in rural environment and sanitation.

New interface between rural poor, state and civil society.

1.10 STATEMENT OF THE PROBLEM

Many poverty alleviation programmes miserably failed, because the greedy posed as poor person in need of cheap subsistence. From the first Five Year Plan, the poor of India have been witnessing various poverty alleviation programmes and employment generation programmes. Still the poverty and unemployment are the major disease of India. Everybody, starting from laymen to policymakers, knows that the failure of various socio-economic programmes is only due to the malicious government official.
The Minimum wage factor deters high productivity and this results in growing incidence of Rural youth shifting from agriculture into unproductive activities and due to lack of planning, administrative expenditure rises very high, and because of political interference people are unable to work, so ultimately many poverty alleviation programmes (e.g. IRDP, NREP, RLEG, JRY, DWCRA, etc,) have not been able to give large benefits..

Government of India since independence has been consciously attempting through various plan and programmes to eradicate poverty from the country. In all such earlier antipoverty programmes, specific provisions were made to include the vulnerable sections of the society to receive the benefits of developmental activities. However, it has been found that the benefits of these earlier programmes have not produced significant changes in the livelihood patterns of weaker sections of the society. In the recent past, the government has made spectacular achievements in the fields of land reforms, foodgrain production, infrastructure development, strengthening of financial institutions to extend credit, health, education and many more. But the main concern is that the fruits of development are not equitably distributed amongst all sections of the society. In spite of the best effort in the last sixty years, it has not achieved significant breakthrough in reduction of poverty. At present, is has more than 30 crore population living below poverty line and most of them are from very vulnerable sections of the society. These people need work basically for their survival and
thereafter skill upgradation for engagement in productive activities to earn more to meet the other requirements of a good living. Now, the programme of Government of India under implementation – Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP) is meeting the requirements of right to work and economic development of weaker section of the society.

Hence, the present study was undertaken by the researcher to assess the impact of Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP) in Tirunelveli district of Tamil Nadu.

1.11 OBJECTIVES OF THE STUDY

1. To study the socio-economic characteristics of the sample workers under MGNREGP programme.

2. To analyse the impact of MGNREGP on income and expenditure pattern of sample workers.

3. To discuss the impact of MGNREGP on savings, investment and debt of the sample workers.

4. To study the awareness of the sample respondents on employment generation of MGNREGP

5. To make suggestions for strengthening MGNREGP.
1.12 HYPOTHESES

The following null hypotheses are:

1. There is no significant relationship between gender and their level of awareness of the workers on employment generation of MGNREGP.

2. Age is independent from the level of awareness on employment generation of MGNREGP.

3. The level of awareness on MGNREGP is independent of the marital status.

4. The level of awareness on employment generation of MGNREGP is independent of the religion.

5. There exist no relationship between the community and the level of awareness on MGNREGP.

6. There exists no relationship between the occupation and the level of awareness on MGNREGP.

7. There exists no relationship between educational qualification and the level of awareness on the employment generation of MGNREGP.

8. Family type is independent from the level of awareness on MGNREGP.

9. The level of awareness on the services MGNREGP scheme is independent from the income of the respondents.
1.13 LIMITATIONS OF THE STUDY

The data were collected only from the select workers is taken for study in a specific area (Tirunelveli District). The results may vary if other segments are also considered for the study or a different area is undertaken. The researcher has faced so many constraints at the time of collecting primary data, because of non-availability of data regarding their income, expenditure, savings and indebtedness. Only a limited number of sample workers had been studied in the present research work. The time constraint was one of the major limitations of the study.

1.14 CHAPTER SCHEME

The present study entitled “An Assessment of Impact of Mahatma Gandhi National Rural Employment Guarantee Programme in Tirunelveli District” has been divided into seven chapters.

Chapter I introduces the subject and deals with various acts and schemes, poverty alleviation programmes, employment programmes in India, background and salient features of Mahatma Gandhi National Rural Employment Guarantee Act, statement of the problem, objectives, limitations and scheme of work.

Chapter II deals with the review of literature, methodology adopted and the profile of the study area.
Chapter III presents the overview of Mahatma Gandhi National Rural Employment Guarantee Programme.

Chapter IV analyses the socio-economic characteristics of Mahatma Gandhi National Rural Employment Guarantee Programme workers and the impact of MGNREGA on income and expenditure pattern.

Chapter V analyses the impact of MGNREGA on savings, investment and debt among the selected workers.

Chapter VI evaluates the awareness of the workers on MGNREGA programme in Tirunelveli district.

Chapter VII presents the summary of findings, suggestions and conclusion.
END NOTES


http://en.wikipedia.org/wiki/Poverty_in_India

17. MGNREGA. http://nrega.nic.in/MISreport.html.

