

Synoptic development through Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in Uttarakhand State

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Abstract

Rural Development in India is one of the most imperative issues for the enlargement of Indian economy. In order to overcome all these problems especially rural unemployment, Government of India enacted. The Mahatma Gandhi National Rural Employment Guarantee Act enacted by legislation on August 25, 2005 and it was on 2nd October 2009. The MGNREGA has completed ten years since its inception in India". The aim of the act is to improve livelihood security of the household in rural areas of the country by providing at least 100 days of guaranteed employment in every financial year of every household whose adult member volunteer to do the unskilled work. A country's development has always been measured through its overall efficiency in their important sectors. This can be identified through the standard of livings of that country's people. The status of a 'developed' country is absolutely use-less, when the people in that country have do not get the opportunity to include their 'livings' in various economic operations. The 'MGNREGA' is one of a scheme, introduced in the year of 2006 with the ultimate objective to provide employment opportunities to the people who are especially residing in the rural areas. Proper implementation of schemes like this will definitely improve their 'earnings' and there by purchasing power which leads improvements in standards of livings. The act was introduced in Uttarakhand, the scheme was initially launched in 3 districts i.e., Chamoli, Champawat and Tehri in 2006-07 (Phase-1). In second phase (2007-08), two additional districts, i.e., Haridwar and Udham Singh Nagar were added. In the last phase, all the remaining districts have been notified under the scheme. This paper tries to analyze the scheme of

'MGNREGA' in terms of its achievements and its impact on the inclusive growth since inception of the act.

Keywords: *Development, Economy, Employment, MGNREGA*

1. Introduction

Poverty and unemployment are the two main obstructions in the pave of growth and development of an any nation. The nation who succeeds in crossing these obstructions easily resolves the problems of poverty (Stina *et al.*, 2015). We all know that poverty is a curse in the humankind. Poverty is the source of unemployment, social exclusion, crime and other social, political and economic problems. It has been an important impediment in the way of growth and development of a country (Prasanna & Leelavathi 2014). In India, since independence, many developmental plans have been formulated and adopted by the different government (Sumarbin 2014). Among those developmental plans, using public employment as a social security measure and for poverty alleviation measure in rural areas is very common (Pani & Iyer 2011). After three decades of experimentation, the government launched major schemes like Jawahar Rozgar Yojana, Employment Assurance Scheme, Food for Work Programme, Jawahar Gram Samridhi Yojana and Sampoorna Grameen Rozgar Yojana that were forerunners to Mahatma Gandhi NREGA (Sing & Singh 2013).

MGNREGA is a demand driven employment programme which was introduced with an aim to guarantee at least 100 days of unskilled employment to all the poor families in rural areas of India (Rahaman & Sheereen 2013). This scheme is different from other employment programmes on the basis of two important facts viz. it is demand

driven and it is a right based employment opportunity (De & Jana 2009). The scheme has a lot of expectations considering its main objectives like employment generation, food security, alleviation of poverty, preventing migration and overall rural development. Since it was launched in the year of 2006, there are a lot of mix reaction from different states about its performance and success.

As the Table 1, depicts that the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an Indian job guarantee scheme, enacted by legislation on August 25, 2005. The Act received the assent of the President on September 5, 2005 and was notified in the Gazette of India on September 7, 2005 (MoRD, 2006-07 and Garg 2008). The law was initially called the National Rural Employment Guarantee Act (NREGA) but was renamed as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA) on 2 October 2009 (Rani 2016). The Act was legalized and notified in 200 districts in the first phase with effect from 2 February 2006 and then extended to

an additional 130 districts in the financial year 2007-2008 out of it 113 districts were notified with effect from April 1st, 2007, and 17 districts in Uttar Pradesh were notified with effect from May 15th 2007. The remaining districts have been notified under MGNREGA with effect from April 1st 2008. It was perhaps the largest and most ambitious social security and public works programme in the world.

Uttarakhand, the MGNREGA was initially launched in 3 districts i.e., Chamoli, Champawat and Tehri in 2006-07 (Phase 1). Two additional districts, i.e., Haridwar and Udham Singh Nagar were adopted in phase II (2007-08) (Ruwali 2014).. In the last phase, all the remaining districts have been notified under the NREGA. (Singh and Nauriyal 2009 and Sahal & Bhatt 2016). MGNREGA was applied to district Pauri Garhwal in the third phase and the implementation of MGNREGA scheme in the district commenced on April 1, 2008. (Singh *et al.* 2015 and Negi *et al.* 2015)

Table1: Profile of MGNREGA

Year	Particulars
August 2005	Parliament passed an act called as NREGA
February 2006	Came into force in 200 districts
April 2007	130 more districts included
April 2008	Universalization of the scheme
October 2008	Wage transaction through banks/post offices
February 2009	MOU with the postal department
2nd October 2009	Name changed to MGNREGA

Source: Research Papers

Important Features of MGNREGA

- Adult members of a rural household, willing to do unskilled manual work, may apply for registration in writing or orally to the locally Gram Panchayat.
- The Gram Panchayat after due verification will issue a job Card free of cost.
- The job Card should be issued within 15 days of application.
- A job Card holder may apply for the employment under the scheme to the Gram Panchayat and Panchayat will issue a dated receipt of the written application for employment.
- The gram panchayat must provide the work within the 15 days of the application otherwise daily unemployment allowance must be given to the job card holder by the state.
- Any work under MGNREGA should be provided within 5 km radius of the village.
- In case work is provided beyond 5 km, extra wages of 10 per cent are payable to meet additional transportation and living expenses.
- Payment of wages is mandatorily done through the individual/joint bank/post office beneficiary accounts. Wages are to be paid as per the State-wise Schedule of Rates (SoRs). Payment of wages has to be done on a weekly basis and not beyond a fortnight in any case. Equal wages will be provided to both men and women.
- At least 1/3rd beneficiaries shall be women who have registered and requested work under the scheme.
- Worksite facilities such as day cares of children for the women workers, drinking water and shade have to be provided at all worksites.
- Planning and Implementation of works of a Financial year along with the order in which each work is to be taken up, site

selection, etc. are the responsibility of the Gram

- Panchayat and it is decided in open assemblies of the Gram Sabha (GS). At least 50 per cent of works will be allotted to Gram Panchayats for execution.
- Permissible works predominantly include water and soil conservation, afforestation and land development works.
- The Central Government bears the 100 per cent wage cost of unskilled manual labour and 75 per cent of the material cost including the wages of skilled and semi-skilled workers.
- Transparency and accountability is an important feature to make MGNRES to protect the scheme from corruption, fraud, misused of fund and the other unwanted implementation factors in the course of implementation through out the country. Social audit is an important part to scrutinise all the records and works under the Scheme are to be conducted regularly by the GS. Grievance redressal mechanisms and rules have to be put in place for ensuring a responsive implementation process. All accounts and records relating to the Scheme are available for public scrutiny by using Management Information System (MIS) and Information communication technology (ICT).

2. Research Methodology

The study is based on secondary source of data such as books, records, Government documents, journals, narega website, magazines and official records of Ministry of Rural Development and Panchayat Raj, Government of Uttarakhand and Government of India, websites.

3. Result Discussion

Table-2 shows the details of job card issue from 2006- 07 to 2017-18 (28/09/2017). In total job card issued 10.64 lakhs and total no of active job cards is 7.0, while the total no of workers is 17.41lakhs. The share of SC category is 17.83 percent workers against active workers and ST category worker

against active workers has 4.1 percent. During the year 2006-07 total person days generated was 2.22 crores and it has gone up to 20.04 crore person days in 2009-10. This is due to the introduction of act in all the districts of the State.

According to the table no 3, the approved labour budget for this scheme is Rs 182 Lakhs in the FY 2017-18, while it is Rs 180 lakhs in FY 2016-17 and 175.3 and 184.51 Lakhs in FY 2015-2016 and 2014-2015 respectively. The approved labour budget in the FY 2013-14 is found to be lowest in the last four years that is only Rs 160.68 lakhs.

MGNREGA has generated 96.76 persondays generated up to September 2017. The persondays generated in the year 2016-2017 are 236.92 Lakhs, FY 2015-16 in 223.85 Lakhs, FY 2014-2015 in 147.31 Lakhs and in FY 2013-2014 in 165.44 Lakhs. The average days of the employment provided per household in the FY 2016-17 is 43.49 days and it is the highest in the last four years and very low comparing to the targeted 100 days of work under the scheme.

Empowerment of Women, SC and ST

It is also found that the percentage of SC persondays as of the total persondays generated under this scheme in the FY 2017-2018 (September 2017) is 17.86 percent. And it is 17.75 percent in FY 2016-2017, FY 2015-2016 is 17.67 percent, around 18.67 percent in FY 2014-2015 and 18.66 percent in the FY 2013-2014. Regarding the percentage of ST Persondays as of the total persondays generated under this scheme in the FY 2017-2018 (September 2017) is 5.01 percent. And it is 4.39 percent in FY 2016-2017, 4.19 percent in FY 2015-2016, 2.74 percent in the FY 2014-2015 and 2.6 percent in the FY 2013-2014. It is learned that the percentage of persondays created for SCs is far more than that of ST in the last four years. Regarding the women participation in this scheme in Uttarakhand, it is found that 53.13 percent of the total persondays created is women in the FY 2017-2018. It is 53.97 percent in FY 2016-2017. 51.73 percent in FY 2015-2016, 50.57 percent in FY 2014-2015 and 44.87 percent in FY 2013-2014. Comparing to the national rate of women participation in this scheme, it is found that the similar like Uttarakhand in the last five years.

Table- 2: Overview of MGNREGA in Uttarakhand

Total no of Job Cards Issued (In Lakhs)	10.64
Total No of workers (In Lakhs)	17.41
Total no of Active Job Cards	7.01
Total No. of Active Workers (In Lakhs)	9.27
SC worker against active workers (%)	17.83
ST worker against active workers (%)	4.1

Source: www.mgnrega.nic.in

Table-3: Performance of MGNREGA in Uttarakhand

Particulars	Financial Years				
	As on 28/9/2017 2017-18	2016-17	2015-16	2014-15	2013-14
Approved Labour Budget (In Lakhs)	182	180	175.3	184.51	160.68
Persondays Generated (In Lakhs)	96.76	236.92	223.85	147.31	165.44
Percent of total LB	53.17	131.62	127.69	79.84	102.96
SC persondays % as of total persondays	17.86	17.75	17.67	18.13	18.66
ST persondays % as of total persondays	5.01	4.39	4.19	2.74	2.6
Women persondays out of total (%)	53.13	53.97	51.73	50.57	44.87
Average days of employment provided perhousehold	28.56	43.49	41.13	32.36	41.68
Average wage rate per day per person (Rs.)	174.99	173.96	160.97	155.96	141.78
Total No of HHs completed 100 days of Wage Employment	2046	25568	19902	7662	27995
Total Households Worked (In Lakhs)	3.339	5.45	5.44	4.55	3.97
Total Individuals worked (In Lakhs)	4.21	7.06	6.77	5.43	4.66
Differently abled persons worked	599	968	917	592	467
Work					
Total no of Works Takenup (In Lakhs)	1.44	1.78	0.99	0.66	0.55
Number of Ongoing works (In Lakhs)	0.88	1.08	0.61	0.43	0.23
Number of Completed Works	56640	69480	38068	23720	32829
Percentage of Expenditure on Agriculture and Allied Works	70.21	61.65	58.39	63.44	63.77
Fincancial Progress					
Total center release	46319.83	51435.08	43983.13	28636.22	33105.2
Total avialability	49937.07	59984.92	50446.04	33229.83	40557.25
Total Exp. (Rs. In lakhs)	35369.27	71995.74	49258.76	32289.08	38063.23
Percentage Utilization	70.83	120.02	97.65	97.17	93.85
Wages (Rs. In Lakhs)	20093.44	50899.56	32454.32	19244.82	23116.12
Material and skilled Wages (Rs. In Lakhs)	13933.24	18126.54	15373.26	11155.26	13.605.8
Material (%)	40.95	26.26	32.14	36.69	37.05
Average Cost per day per person (In Rs.)	249.81	232.67	218.76	221.12	210.2
Percent payments generated within 15 days	91.11	66.18	23.61	30.92	29.20

Source: www.mgnrega.nic.in

Women person days created in Uttarakhand state is always 50 percent in the last four year which shows the higher participation of women in MGNREGA as compared to man in the last financial years.

Regarding the numbers of the household who have completed the 100 days of work in Uttarakhand, 2046 HHs complete the employment of the whole 100 days of work in the FY 2017-2018 (September 2017). It is 25568 HHs in FY 2016-2017. 19902 HHs in FY 2015-2016. 7662 HHs in FY 2014-2015 and 27995 HHs completed the 100 days of work in FY 2013-2014.

Financial Performance

Out of the total available Rs 49937.07 Lakhs, only Rs 46319.83 Lakhs is released by the centre in FY 2017-2018 (September 2017) and 70.83 percent of the total funding is utilised, while FY 2016-2017

total available Rs 59984.92 Lakhs and Rs 51435.08 Lakhs was released by the centre the percent of total funding utilization is 120.02. However the utilization of fund is above 90 percent in the FY 2015-16, FY 2014-15 and 2013-14.

Table No. 2 described the financial expenditure in MGNREGA in Uttarakhand. A 13933.24 lakhs of the total expenditure in the FY 2017-18 is utilised on the material expenditures and skilled wages. It 18126.54 lakhs in FY 2016-17, 15373.26 lakhs in FY 2015-2016, 11155.26 lakhs in FY 2014-2015 and 13.605.8 lakhs in FY 2013-2014. Percentage of payments generated within 15 days of work in the FY 2017-18 is 91.11 percent of the total payment made. It is 66.18 percent in 2016-17, 23.18 percent in 2015-2016, 30.92 percent in FY 2014-2015 and 29.20 percent in 2013-2014

Table No. 2 revealed the work completion in MGNREGA in Uttarakhand. A 1.44 lakhs of the total no of works takenup in the FY 2017-18 while 0.88 works are ongoing and the 56640 number of works completed. It 1.78 lakhs works takenup and 69480 lakhs works completed in FY 2016-17, 0.99 lakhs works takenup while 38068 works completed in FY 2015-2016, 0.66 lakhs works takenup and 23720 works completed in FY 2014-2015 and 0.55 lakhs works have takenup and 32829 works done in FY 2013-2014. The higher percentage of agriculture and allied works in the year present financial year 2017-2018.

4. Conclusion

India is looking forward to achieve then inclusive growth in order to successful implementation of MGNREGA. It is one of its kind in the world and it utilises the work force potential of Indian rural areas by developing the far rural areas in the country. The act was different from other poverty schemes as it gives every rural household a legal right to demand at least 100 days of unskilled works in a every financial year. The scheme also had other main objectives to promote gender equality, social equality, rural infrastructure, agricultural activities, financial activities and local self-governance etc. However, the real scenario of implementation and its contribution to socio-economic development of the rural area is found to be far behind from the dreamt achievement under this scheme. *Implementation of MGNREGA* in Uttarakhand is also an example of success of MGNREGA.

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