

Mgnrega : a critical appraisal of its operation in deogaon block of bolangir district in odisha

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Abstract

Mahatma Gandhi National Rural Employment Guarantee Act is one of the world's largest social protection initiatives taken by the government of India to provide legal guarantee of work to the rural masses. Basing upon the secondary data for last five years, this study is an attempt to examine the operation of the vital provisions of the Act such as employment on demand, completion of 100 days of guaranteed work, minimum one third of employment to women and financial performance with respect to wage expenditure in Deogaon block of Bolangir district, a most backward region of Western Odisha.. The analysis of data revealed that an average of 81% of house hold provided employment on demand with very poor performance of completion of minimum days of work. The employment towards women beneficiaries also found much below than the provisions of the act during the first three years under study. However, the wage material ratio of 60:40 has been maintained in all the years in Deogaon block.

Key words: 1. Legal guarantee, 2. operation, 3. rural masses, 4. vital provisions.

1. Introduction.

Indian economy is predominantly a rural economy with high concentration of unemployment and poverty. Mahatma Gandhi, the father of young India has stated that the soul of India resides in villages. So, the real development of the country lies with the development of the rural masses. Realizing the importance, a number of poverty eradication programmes like Jawahar Rojgar Yojana, National Rural Employment Programme, Rural Landless Employment Guarantee Programme, Training of Rural Youth for Self Employment, Integrated Rural Development Programme etc. have been implemented since independence, but the performance of these programmes are not adequate to achieve its goal satisfactorily. According to Planning Commission, Government of India, the rural poverty during the year 2004-05 was estimated to be 21.80%, and as per the Tendulkar Committee Methodology it reported as 41.8%. Amartya Sen, the great welfare economist stated that lack of capabilities and opportunities are the major factors responsible for poverty and hunger in the developing-country like India. Hence as a solution of unemployment and poverty the government of India enacted the National Rural Employment Guarantee Act (NREGA) in 2005 which came in to force on 2nd February, 2006 in 200 districts and from 1st April, 2008 extended to cover all 685 districts of the country. On 2nd October, 2009 this act is renamed as Mahatma Gandhi National Rural Employment Guarantee Act which is considered as 'silver bullet' for eradicating of poverty and unemployment by way of providing 100 days of guaranteed wage employment to every rural house hold willing to do unskilled manual work. It is the first time in the world a country has passed a law of this nature to provide livelihood security to rural people exclusively among unorganized labour force. The special features of this scheme is that it provides legal guarantee of works on demand within 15 days of application failing which unemployment allowance shall be payable by the state government to the job seeker. This act is designed for fostering women empowerment by reserving one-third of employment to women workers with an equal wage rate of male. MGNREGA is a centrally sponsored scheme in which

the state government has accorded highest priority for implementation through Gram Panchayats. This scheme has started with initial budget out lay of Rs.11, 300 crores in 2006-07 which has increased to record of Rs. 48,000 crores during the current financial year 2017-18.

Context of MGNREGA in Odisha

The state Odisha is situated on the eastern coast of India. It is surrounded by West Bengal to the North – East, Chhattisgarh to the West, Jharkhand to the North-East and Andhra Pradesh to the South-East. The State has 30 districts, 58 Sub-Divisions, 317 tahasil and 314 blocks. There are 3 revenue divisions and 6227 Gram Panchayat with 51,349 inhabited and uninhabited villages. Odisha is predominantly rural economy with large component of Schedule Caste and Schedule Tribe. The agricultural sector is still the mainstay of the economy of the state though it suffers from natural shocks like cyclone, draughts and flood. Despite of huge flow of investment in the mineral based industries, there has not been significant change in the economic condition of the rural poor of the state. So Odisha is continuing as the poorest state in the country with high concentration of rural poverty. By the end of 2004-05, the rural poverty of Odisha was 39.80% as against the national poverty rate of 21.80% (Report of Planning Commission of India based on MRP consumption). The state Odisha is situated on the eastern coast of India. It is surrounded by West Bengal to the North –East, Chhattisgarh to the West, Jharkhand to the North-East and Andhra Pradesh to the South-East. The State has 30 districts, 58 Sub-Divisions, 317 tahasil and 314 blocks. There are 3 revenue divisions and 6227 Gram Panchayat with 51,349 inhabited and uninhabited villages. Odisha is predominantly rural economy with large component of Schedule Caste and Schedule Tribe. The agricultural sector is still the mainstay of the economy of the state though it suffers from natural shocks like cyclone, draughts and flood. Despite of huge flow of investment in the mineral based industries, there has not been significant change in the economic condition of the rural poor of the state. So Odisha is continuing as the poorest state in the country with high concentration of rural poverty. By the end of 2004-05, the rural poverty of Odisha was 39.80% as against the national poverty rate of 21.80% (Report of Planning Commission of India based on MRP consumption). Knowing the importance, the Central Government has introduced MGNREGS, the massive flagship poverty eradication programme in 18 districts of Odisha in first phase during 2006- 07. So, this study has greater significance to examine the operation of the scheme on the ground.

2. Review of literature

A number of empirical studies have been conducted towards the role of MGNREGA for the lively hood security and promotion of sustainable development in the rural areas. Dr. E.M.Thomas (2008) in his case study ‘The relevance of NREGA in ensuring a corruption less wage employment and women empowerment’ revealed that NREGS is helpful to enhance the self-confidence and credit worthiness of women in rural areas. Dr.N.C.Nayak and others (2009) in their study ‘Appraisal of processes and procedures of NREGS in Odisha: A study of Mayurbhanj and Balasore District’ of Odisha stated that household with more awareness are more likely to avail of the job card under this programme. They also found that households are less likely to show interest in NREGS programme if there is off farm opportunities. K.N.Nair and others (Aug 2009) in their work revealed that the role of Gram Sabha in the formulation of a ward level Action Plan is found to be weak. The study also revealed that the percentage of man-days generated for SC and ST categories is very low as compared to that of the general category. In a similar study on ‘NREGA: Towards full employment, equality and employment’ by M.Kumari (2009) stated that NREGA is helpful in solving the problem of water shortage in many water scares areas both for agricultural use and other purposes. At the same time she also viewed that lack of transparency, proper project planning, delayed payment, fake muster roll, fund locking etc. are some practical problem which need to be tackled effectively. Sukbinder Singh and Sucha Singh Gill (2010) in their work “Impact on NREGS on rural employment in Panjab” have found that NREGA is extremely useful for weaker section of society (SC and Women). Hence they viewed to implement the scheme seriously in a planned manner. Dr.Amrit Patel (2010) in his article “NREGA and Panchayati Raj Institution” concluded that the participatory approach accompanied by

empowerment and capacity building of Gram Panchayat and Gram Sabha under NREGS will create productive assets, generate massive employment among poor and disadvantage groups, improve productivity of small farms and contribute to inclusive growth in rural India. He also stated that MGNREGS combined with right to food and education should help erase India's image as the land of poor, hungry and illiterate. Dr.S.K.Jena (2011) in his paper entitled "Women Empowerment through MGNREGA" has found that NREGA being a right based employment programme should have been in a position to provide job on demand but which has not been happening in practice. Dr.J.B.Komaraiah (2011) in his research paper "Impact of Mahatma Gandhi National Rural Employment Scheme" in Ranga Reddy district of Andhra Pradesh has stated that this programme has the greater impact on employment, income generation and reduction of migration, creation of durable assets and ultimately developing livelihoods for rural people.

3. Objective of study

- To study the demand pattern and employment under MGNREGA in Deogaon block
- To access the employment of women under the scheme.
- To examine the financial performance of MGNREGA under study.

4. Area of study

Bolangir district has been chosen for the present study which is one of the most backward areas located in the western part of Odisha. The district is well known for poverty and migration across the globe. However the study is confined to "Deogaon", one of the 14 blocks of this district.

5. Research Methodology

The study is mainly based on secondary data collected from the nregs web sites as uploaded by District Rural Development Agency, Bolangir for last five financial years. The relevant data also obtained from District Statistical Office, Bolangir, Deogaon block, and Economic Survey of Odisha. The secondary data also collected from various monitoring evaluation reports of Ministry of rural development and professional body, different books, magazines, journals and articles of national and international publications, operational guideline and notification of Government of India.

6. Result and discussion

a. Employment on demand

Mahatma Gandhi National Rural Employment Guarantee Act is right based flagship programme of the Government of India which provides employment to the job seekers on demand. The pattern of demand and employment under the scheme has been exhibited in the table given below.

Table1 : showing Year-wise Demand and employment under MGNREGA

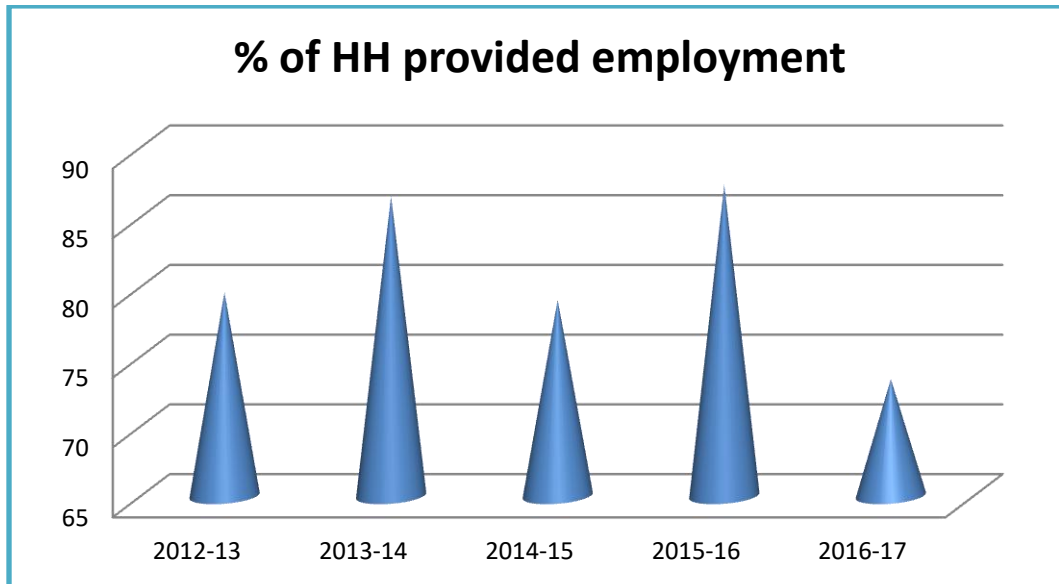
Year	Households demanded employment	Households provided employment	% of HH provided employment
2012-13	7279	5794	79.59
2013-14	8276	7158	86.49
2014-15	6610	5225	79.04
2015-16	9592	8375	87.31
2016-17	10952	8034	73.36

Source: www.nrega.com

As indicated from table-1, a total number of 5794 households consisting of 79.59% have been provided employment during the year 2012-13 as against the demand of 7279 households. The households provided

employment increased from 79.59% to over 86.49% during the year 2013-14. However, it again declined to 79.07% in the next financial year. It is also noticed that highest 87.31% of household provided employment during 2015-16 but it sharply decreased to 73.36% in the year 2016-17

Figure 1: Percentage of households provided employment under MGNREGA



Source: Ref. table 1

Figure 1 clearly indicates that full employment has not been provided to the job seekers on demand under the study in any of the year from 2012-13 to 2016-17.

c. Completion of 100 days of work

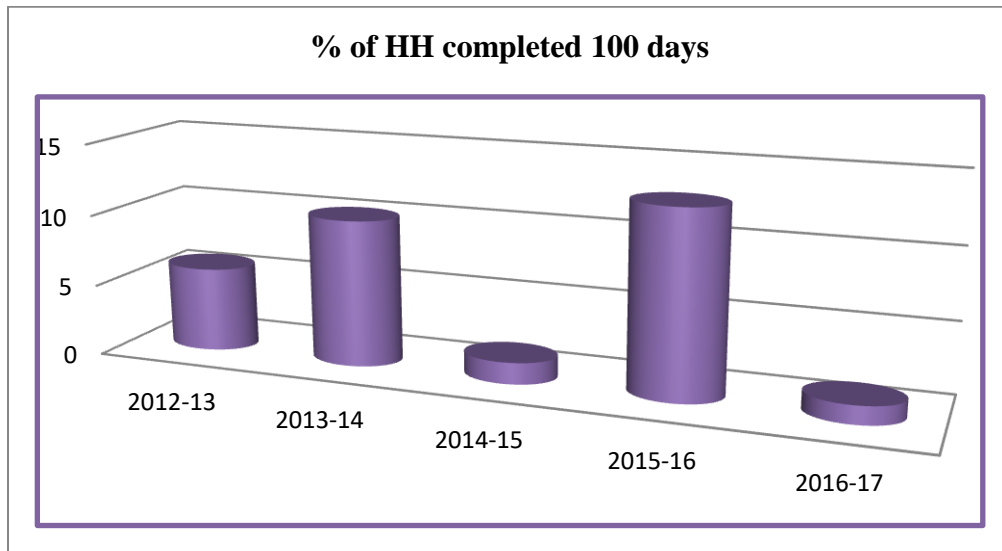
Table 2: House hold completed 100 days of work under MGNREGA.

Year	Households completed 100 days	% of HH completed 100 days
2012-13	342	5.90
2013-14	734	10.25
2014-15	83	1.50
2015-16	1078	12.87
2016-17	102	1.27

Source: www.nrega.com

The basic entitlement of MGNREGA is to provide 100 days of guaranteed wage employment to the rural households on demand. However, it is important to note that the performance of the scheme in term of fulfilling this vital objective in Deogaon block is not encouraging. As seen in table 2, the highest 1078 households comprising 12.87% completed 100 days of work in the year 2015-16 which started declined to lowest 1.27 % in 2016-17.

Figure 2: Percentage of household completed 100 days of work



Source: Ref table 2

The above diagram clearly highlights that the providing of 100 days of guaranteed employment is very poor under study.

c. Women employment

Mahatma Gandhi National Rural Employment Guarantee Act is sensitive for women empowerment by reserving at least one third of total employment generated during a financial year. The person days generated for last five years have been tabulated below.

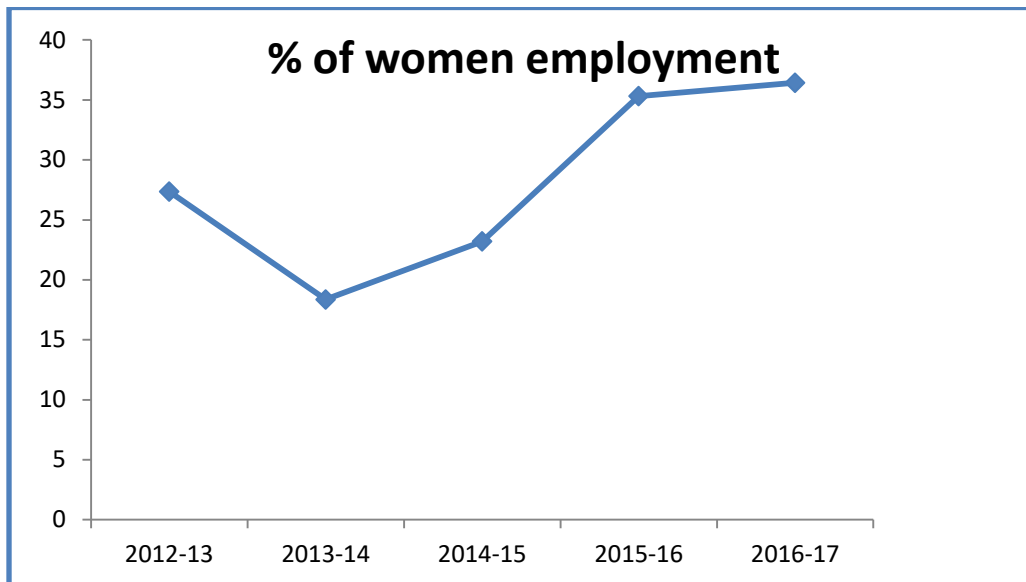
Table 3 showing year- wise person days generated among women

Year	Total Person days	Women person days	Women employment (%)
2012-13	215273	58903	27.36
2013-14	313502	57569	18.36
2014-15	154114	35774	23.21
2015-16	463286	163612	35.32
2016-17	297036	108218	36.43

Source: www.nrega.com

As seen in table 3, though the total person days generated under the scheme increased from 215273 in the year 2012-13 to over 313502 during 2013-14, the women employment has not increased accordingly. Rather it fallen from 27.36% to 18.36%. Again, during the year 2014-15 the women employment has also found significantly below than the mandate one-third of total employment However, there is an improvement of providing employment to women workers in the subsequent years 2015-16 and 2016-17 as it was 35.32% and 36.43% respectively.

Figure 3 showing the trend of women employment in Deogaon block



Source: Ref table 3

d. Wage expenditure under the scheme

As per the provision of Mahatma Gandhi National Rural Employment Guarantee Act, at least 60% of the total allocated fund is to be spent to wards unskilled wages. So that wider wage employment opportunities can be created in the rural areas and job will be provided to the job seeker. Thus, the financial performance of MGNREGA in Deogaon block towards wage expenditure has assessed under the study.

Table 4 showing wage expenditure under MGNREGA (Rs.in lakhs)

Year	Total fund available	Wages expenditure	% of wage expenditure
2012-13	295.59	233.72	79.06
2013-14	419.57	337.20	80.36
2014-15	286.72	208.26	72.63
2015-16	739.71	679.78	91.89
2016-17	973.85	651.9	66.94

Source: www.nrega.com

It is evident from table 4 that the wage expenditures under the scheme ranges from lowest 66.94% to highest 91.89% from the year 2012-13 to 2016-17. It can also be noted that the minimum wage expenditure of 60% have been incurred as per the act in all the years under the study.

7. Major findings

- The year-wise employment provided under MGNREGA from the year 2012-13 to 2016-17 reflects a wider variation which ranges from 73.36% to 87.31% over the years.
- The entitlement of providing 100 days of guaranteed wage employment is far from the target as it is found to be highest 12.87% of the total house hold employed under the scheme in the block under study.

- The minimum one-third of employment of women has not been reflected under the study in the first three years, however, there is an improvement in the subsequent years 2015-16 and 2016-17 indicating 35.32% and 36.43% respectively.
- The wage materials ratio of 60:40 has been maintained as per the act in Deogaon block in all the years under study.

8. Conclusion

Mahatma Gandhi National Rural Employment Guarantee Act, the world's massive poverty eradication programme designed to provide wage employment to the job card holders on demand. But it is found a wider gap between demand and employment on the ground. The target of providing 100 days of employment to the job seekers also revealed very poor. Though the study reflects the positive impact of MGNREGA on women empowerment, it is not satisfactory. These issues can be addressed by the proper planning of work strictly at the grass root level and timely payment of wages. Creation of wider awareness among the beneficiaries is the need of the hour to avail their right of getting unemployment allowance and interests on late payment which are the vital provisions of the act.

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