



A General Report of Employment Guarantee Programme From 2007 to 2023

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Rural development is a comprehensive strategy in a rural market economy. It comprises of the magnitudes like the availability of employment, housing, land use pattern, availability drinking water and sanitation. Of this five bench marks, availability of employment is ever magnificent and is the essence of subsistence living. Immediately after independence, the administrators tried to create an atmosphere for creating employment. But resource to meet the need was scarce. Above all the urgency to strike starvation gained momentum. But the dream cherished during 1980's by starting employment guarantee programmes. The reality come true with the induction of the world's largest public employment programme named National Rural Employment Guarantee Act 2005 (NREGA 2005). The programme was initially launched in 200 selected districts across the country. Later the programme renamed to cherish the dream of great father of the nation, Mahatma Gandhi. Now the Act/Programme is known as the Mahatma Gandhi National Employment Guarantee Act/ Programme (MGNREGA). It was the dream project of the last UPA government. Now the NDA government received it as their flagship programme and included accuracy and transparency in rural development. The Ministry of Rural Development, on behalf of the government of India executes the programme. The financial partnership of the programme is 90:10 proportions between the center and the states. The allocation of funds is on the basis of the proposals

and submission of labour budgets. In this way they can anticipate basic labour expenditure in each programme. The real merit of the programme is data transparency by National Informatics Centre(NIC) and which is publically available and a well-equipped web site to see the day to day activities of this programme.

Objectives of the study

The evaluative report of MGNREGA is a study conducted based on the following objectives;

1. To make an estimate the working of employment guarantees programme.
2. An attempt to make overall understanding of receipts and expenditure MGNREGA.
3. To make a general report and evaluate the outcomes of the programme.

The methodology followed study is both descriptive and analytical. Descriptive elements are used to understand the programme. The secondary data arrived from National Informatics Centre(NIC) is used to analyze real outcome of the MGNREGA. The descriptive details and data for analytics is taken from secondary sources This is the limitation of the study.

The budget allocation to the share of rural development is in a rising trend. Even though the share of MGNREGA in rural development in the budget allocation has been fluctuating. The percentage share of MGNREGA in rural development can be shown as:

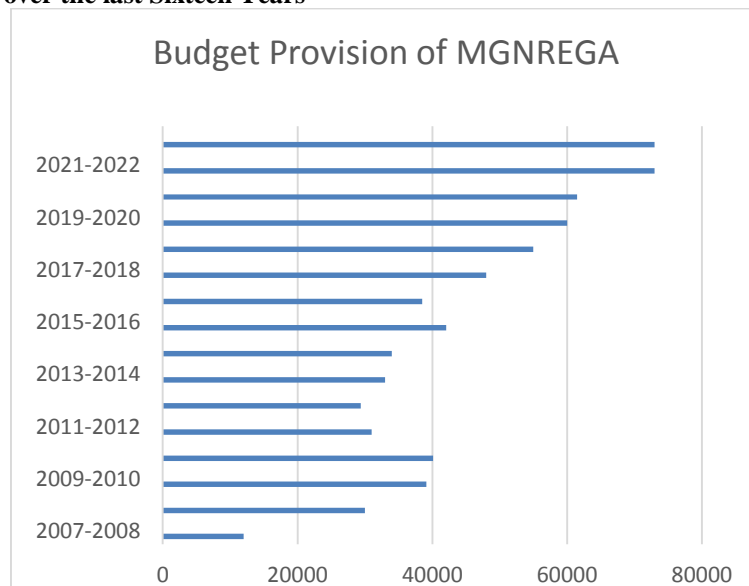
Budget allocation of MGNREGA from 2007-2023

Financial Year	Budget allocation(In Crores)	Increase rupees over the years (in crores)	Percentage Increase/Decrease over the years
2007-2008	12000	-	-
2008-2009	30000	18000	150
2009-2010	39100	9100	50.5
2010-2011	40100	1000	10.98
2011-2012	31000	-9100	-10.98
2012-2013	29387	-1613	-17.72



2013-2014	33000	3613	223.9
2014-2015	34000	1000	-27.6
2015-2016	42084	8084	808.4
2016-2017	38500	-3584	-44.33
2017-2018	48000	9500	265.06
2018-2019	55000	7000	73.68
2019-2020	60000	5000	71.42
2020-2021	61500	1500	30.0
2021-2022	73000	11500	766.66
2022-2023	73000	0	0

Budget Allocation over the last Sixteen Years



Source: Budgets in various financial years

There is a wave like movement in the percentage share of spending in MGNREGA can be seen from the above. It is not continuously rising or falling. The inference of the above action is that there is instability in allocation of funds in rural employment. The mobility of rural market economy lies in the income of the grass root level community. The local economy's stability moves in line with the circular flow of income. The fluctuation in budget allocation seriously affected the economy in the down trend years. A serious reduction happened in 2011-12, 2012-13 and in 2016-17.

The next serious matter relating to the spending of the allotted fund to rural employment. The allotted funds that are not evenly spread among states. For the sake of analytical convenience, the spending of allotted funds can be brought in to three slabs, the states spend 100% and above of the allotted funds, are considered excellent, states spend their funds in between 75-100%, are considered good rank and the states spend funds above 75% and below 50% are good. The proof of the analytical experience can be brought in the form of a table as below;

Spending of the allotted funds for MGNREGA (State wise)

Financial Year	States spend above 100 Percent-Outstanding	States spend between 100 and 75 percent-Excellent	States spend between 74 Percent and 50 percent -Good
2008-09		Mizoram, Andhra Pradesh Bihar Jharkhand Madhya Pradesh,	Karnataka, Odisha, West Bengal Uttar Pradesh, Kerala



		Maharashtra	Rajasthan
2009-10	Karnataka	Mizoram, Orissa Andhra Pradesh WestBengal, Uttar Pradesh Bihar, Kerala, Rajastan	Jharkhand Madhya Pradesh Maharashtra
2010-11		Haryana,Odisha Bihar, Uttar Pradesh Chhattisgarh	Madhya Pradesh Rajasthan
2011-12		West Bengal, Odisha, Kerala Uttar Pradesh , Chathisgrah , Punjab	Jharkhand, Madhya Pradesh Gujrat ,Rajastan
2012-13	Haryana	Madhya Pradesh, HimachalPradesh, Chathisgrah Odisha,Rajastan, UttarPradesh ,Maharashtra, Tamil Nadu, Kerala.	Gujarat, Jharkhand Bihar
2013-14	Madhya Pradesh, Gujarat Himachal Pradesh Chathisgrah, Bihar Haryana.	Odisha, Jharkhand ,Rajasthan Uttar Pradesh ,Maharashtra	Tamil Nadu
2014-15	Punjab, HimachalPradesh Haryana, Madhya Pradesh West Bengal, Assam Tripura, Odisha Uttar Pradesh, Gujarat	Chathisgrah, Rajastan, Maharashtra ,Jharkhand Bihar, Karnataka, Sikkim	Tamil Nadu
2015-16	Assam, Uttarakhand West Bengal ,Rajastan Chatisgrah ,Andhra Pradesh Maharashtra Madhya Pradesh Karnataka, Odisha	Tamil Nadu Kerala	



	Jharkhand, Bihar Madhya Pradesh, Gujarat		
2016-17	Assam Uttarakhand West Bengal ,Rajasthan Chatisgrah, Andhra Pradesh Maharashtra Uttar Pradesh Karnataka	Odisha, Jharkhand, Madhya Pradesh , Bihar, Gujarat.	

The funds allocated for the states spent 60% as wages and the remaining amount as materials. There are slight variations in wage material ratio depending on the circumstances of the states. In 2009-10 the highest wage material ratio was maintained by the state of Madhya Pradesh, the ratio was 62:38. The least wage material or high wage rate ratio is maintained by the state of Kerala is 100%. They maintain their excellent position in 2023 The entire fund received by the state is spent for the payment of wage alone. By this way they follow the real aim of employment guarantee to the weaker sections. Thus real meaning of the MGNREGA is cherished in Kerala.

The provision of wages to the workers are set on the basis of the development and minimum wage rate prevailing in each states. Even though the wage rate varies from state to state, the wage disbursal is based on the nature of work and working conditions of the states. There may be differences in the notified wages and average cost per person (average wages). In 2009 the highest notified wage in Haryana is Rs.141, but the state had paid Rs.151 as average wage per person days in 2009-10. The lowest wage in the same year notified in Orissa was Rs.70, but it will have paid Rs.106 in 209-10. But at the same time contradictions can be experienced with regard to wages. The notified wage in Rajasthan during 2010-11 was Rs. 119. Instead of this notified wages, the state spend average wage per person days was Rs.75. This situation happened when the minimum wages of agricultural workers during that period was Rs.135. The same situation is experienced in Tamil Nadu, Uttar Pradesh, Jharkhand, Bihar, Madhya Pradesh, West Bengal and Kerala. In Kerala, 2010-11 , the notified wages was Rs.150 and paid Rs.133 as average wage per person days. The state of Haryana continued the same structure of wages. Simultaneously the state of Rajasthan spent more than the notified wage in 2011-12. Instead of the notified wage of Rs.90, the

state spend Rs.133 as the wage rate of average person days. In 2013 ,the notified highest wage rate in Punjab was Rs.184 and paid Rs.184 as average wage per person days. The lowest notified wage rate was Rs.138 in Bihar and Jharkhand .Bihar paid the average wage rate per person days was Rs.154. But Jharkhand maintained the notified wage is equal to the average wage rate per person days. In 2013-14 the state of Rajasthan notified wage rate of Rs.149, but paid only less amount at the rate of Rs.110. The reduction in the wage rate is accounted to be 73.8%. A same situation is also shown in Tamil Nadu.

The practical experience and magnitudes to measure the viability of the schemes and programme differ from time to time. During the beginning the percentage of budgetary provisions to rural development and the sharing of amount to rural employment are of the major concerns. The dimension of the magnitudes changed to the matter of wage-material ratio. After that, the comparative cost differences came as an issue. The differences in notified wage rate and the wages paid on average person days spent may create a problem in future. The social audit and the account audit will mention it as a matter of corruption in the working of the programme. A conceptual and practical dilemma are the inherent drawback of every public funded programmes. The above problem is a practical in nature. If this problem is rectified the other one sprout. The reason is that the public funded programmes are like open book. The data is publically available. So the analysts and academicians openly criticizes and evaluates the annual reports. The criticisms lead to correction of errors.

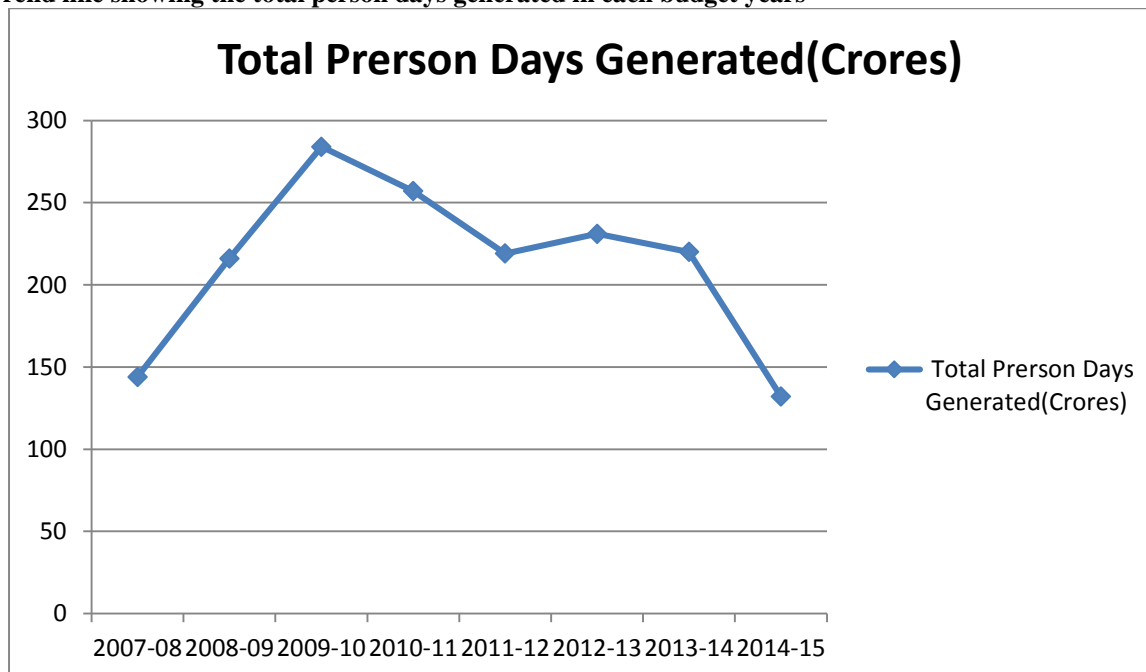
One of the major accountability criterion of MGNREGA is the change in average person days employed at national and state level. The total person days spent can be shown with the help of a trend line. From the trend line it can be seen that the



highest number of person days generated during the year 2009-10 was 284 crores. The lowest number of person days generated in the year 2014-15 was 132

crores. The person days generated in 2014-15 is comparatively low. The following trend line shows the total person days generated in each budget year.

Trend line showing the total person days generated in each budget years



Data source www.nrega.nic

The financial and institutional set up create a highly conducive environment in the distribution of wages. They had created a favourable atmosphere for the fund disbursement of the MGNREGA for their beneficiaries. During the initial stages of the programme, even the advanced state like Kerala had paid 2% of wages through banks and post offices. At the same time the state of Haryana paid 98% of their wages through post offices and banks. But in recent years 100% payments of MGNREGA is disbursed through post office and banks. It is mandatory to open savings bank account (SB A/c) in a nationalized bank or post office. The wages the works are paid through the accounts. It is to ensure greater transparency and to put an end to financial corruption.

Creation of durable assets or assets benefitting to the society is the main objective along with providing 100 days of employment. For the creation of assets, it is required to undertake projects on behalf of MGNREGA. The rural asset creation is in different forms. The priority of activities are: water conservation and water harvesting (20%), provision of irrigation facility (18%), rural connectivity for connecting gamins roads (18%), land development, especially in the land of SC/ST (14%),

draught proofing (9%), micro irrigation (7%) and flood control and protection (4%). The works not coming under the purview of the above categories are counted as other works (2%).

In 2013-14 the pattern of work pattern shifted to, water conservation and draught proofing (17%), rural connectivity (15%), land development (10%), irrigation (16%), rural sanitation (32%), flood control and renovation of existing water bodies (4%), other works (2%) and Rajeev Gandhi Seva Kendra (1%). There is a typical pattern of works and thereby assets are created in that area.

The labour participation rate of workers are another consideration of MGNREGA. The labour participation rate among women in India are comparatively low. Especially in Kerala the labor participation rate among educated and uneducated women are low. With the introduction of MGNREGA, it can be visualized a dramatic change in the labor participation rate among women. On an average the participation of women labor covers more than 50%. The slogan of gender equality and social justice with rural development was materialized only with the introduction of MGNREGA. The women labor force actively involved in every projects which led to the success



of MGNREGA. Gender justice on gender equality is achieved and maintained through rural development programmes. In Kerala the women participation rate is alarmingly very high compared to other states. As per the latest estimates, the women participation in MGNREGA is 93% in Kerala. Just below Kerala, Tamil Nadu stands with 74%. The lowest participation is to be in Uttar Pradesh, 17%. It is below the normal rate of 33%. The 33% normal rate is a benchmark as per the scheme. The one third of total employment is reserved for women according to the act. The all India average rate of women labor participation is 47%. The states below normal level are Jharkhand, Bihar and Uttar Pradesh.

The lowest income group is dominating in the scene of the rural employment programme. About 42% of the lower income group is directly engaged in the programme for maintaining their bare subsistence level of living. About 41% of the workers coming from the middle income group. The percentage of high income group is accounted to be 16 % of the total work force engaged in MGNREGA. The state of Rajasthan is the state that carries about 23% of the higher income group into MGNREGA works. Maharashtra is the state which taken care of highest percent of lower income group, i.e. 63 %. The highest percent of middle income group belongs to the state of Bihar in MGNREGA. The above data reveals that irrespective of income the people actively participating with the programme. The reason is the heavy dependence on agriculture which are seasonal in nature in these states.

To conclude that the evaluative report of MGNREGA over the last 16 years shows the remarkable strength of planning, executing, implementing and evaluating the world's largest public sponsored employment programme. There may be variations in the magnitudes to calculate the beneficiaries. It does so because of the needs of the time. Whatever the magnitudes it will ultimately resulted for the benefits of the beneficiaries who associated with the programme. The real assets created is the assets protecting the environment. The real development is sustainable development as per the MGNREGA.

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