

# **NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (NREGA): MITIGATING UNEMPLOYMENT IN RURAL INDIA (AN EVALUATION)**

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## **ABSTRACT**

With a view to eliminate the weaknesses of the previous wage employment generating programmes, the Government of India introduced Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005. MGNREGA is unique, as it is community based, demand driven and has a legal provision for providing 100 days of wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. Implemented by the Ministry of Rural Development, National Rural Employment Guarantee Act (NREGA) 2005 is the flagship programme of the Government that directly touches lives of the poor and promotes inclusive growth. The Act is the first ever law internationally that guarantees wage employment at an unprecedented scale. It 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. The auxiliary objective of the Act is to create durable assets and strengthen the livelihood resource base of the rural poor. The choice of works suggested address causes of chronic poverty like drought, deforestation, soil erosion, so that the process of employment generation is on a sustainable basis. NREGA is a significant vehicle for strengthening decentralization and deepening processes of democracy by giving a pivotal role to Gram Sabhas and Panchayati Raj Institutions in planning and implementation of works.

India has been a welfare state ever since her Independence and the primary objective of all governmental endeavors has been the welfare of its millions. Planning has been one of the pillars of the Indian policy since independence and the country's strength is derived from the achievement of planning. The policies and programmes have been designed with the aim of alleviation of rural poverty which has been one of the primary objectives of planned development

in India. It was realized that a sustainable strategy of poverty alleviation has to be based on increasing the productive employment opportunities in the process of growth itself. Elimination of poverty, ignorance, diseases and inequality of opportunities and providing a better and higher quality of life were the basic premises upon which all the plans and blue-prints of development were built.

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Rural development implies both the economic betterment of people as well as greater social transformation. In order to provide the rural people with better prospects for economic development, increased participation of people in the rural development programmes, decentralization of planning, better enforcement of land reforms and greater access to credit are envisaged. Amongst all the wage employment programmes planned and implemented for the livelihood security of the working population of rural India, MGNREGA is unique, as it is community based, demand driven and has a legal provision for providing 100 days of wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work.

The primary objective of the earlier wage employment programmes were to provide wage employment to the poor/vulnerable sections of population of the country, who for several reasons, were unable to get assimilated into the mainstream development process. Thus, with a view to eliminate the weaknesses of the previous wage employment generating programmes, the Government of India introduced Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005.

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was notified on 7th September 2005. The Act was notified in 200 rural districts in its first phase of implementation (with effect from 2 February 2006). It was extended to 130 additional districts in financial year 2007-2008. All the remaining districts were notified with effect from April 1, 2008. MGNREGA has covered the entire country with the exception of districts that have a hundred percent urban population. With its legal framework and rights-based approach, MGNREGA provides employment to those who demand it and is a paradigm shift from earlier programmes. MGNREGA is unlike other

programmes in terms of its scale, architecture and thrust. It has an integrated natural resource management and livelihood generation perspective.

The significant aspects of this paradigm shift are namely: i) MGNREGA provides statutory guarantee of wage employment, ii) It provides a rights-based framework for wage employment. Employment is dependent upon the worker exercising the choice and applying for registration, obtaining a Job Card, and seeking employment for the time and duration that the worker wants, iii) There is a 15-day time limit for fulfilling the legal guarantee of providing employment, iv) Legal mandate of providing employment in a time bound manner is underpinned by the provision of Unemployment Allowance, v) The Act is designed to offer an incentive structure to the States for providing employment as 90 percent of the cost for employment provided is borne by the Centre. There is a associated encumbrance for not providing employment as the States then bear the double indemnity of unemployment and the cost of unemployment allowance, vi) Unlike earlier wage employment programmes that were allocation based, MGNREGA is demand driven. Resource transfer under MGNREGA is based on the demand for employment which in turn provides another critical incentive to States to leverage upon the Act to meet the employment needs of the poor, vii) MGNREGA has extensive inbuilt transparency safeguards through its laid out documents and processes, viii) The public delivery system has been made accountable, as it envisages an Annual Report on the outcomes of MGNREGA to be presented by the Central Government to the Parliament and to the Legislature by the State Government. Specifically, personnel responsible for implementing the Act have been made legally responsible for delivering the guarantee under the Act.

## **NATIONAL RURAL EMPLOYMENT GUARANTEE ACT**

Implemented by the Ministry of Rural Development, National Rural Employment Guarantee Act (NREGA) 2005 is the flagship programme of the Government that directly touches lives of the poor and promotes inclusive growth. The Act is the first ever law internationally that guarantees wage employment at an unprecedented scale. It 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. The auxiliary objective of the Act is to create durable assets and strengthen the livelihood resource base of the rural poor. The choice of works suggested address causes of chronic poverty like drought, deforestation, soil erosion, so that the process of employment generation is on a sustainable basis.

The formulation and implementation of the National Rural Employment Guarantee Act (NREGA) was seen as a significant step. With its rights-based framework and demand driven approach, NREGA marks a paradigm shift from the previous wage programmes. Unique features of the Act include, time bound employment guarantee and wage payment within 15 days, incentive-disincentive structure to the State Governments for providing employment as 90 per cent of the cost for employment provided is borne by the Centre or payment of unemployment allowance at their own cost and emphasis on labour intensive works prohibiting the use of contractors and machinery. The Act also mandates 33 percent participation for women.

NREGA came into force on February 2, 2006. In Phase I, it was introduced in 200 of the most backward districts of the country, an additional 130 districts were included in Phase two 2007-

2008. As per the initial target, NREGA was to be expanded countrywide in five years. However, in order to bring the whole nation under its coverage and keeping in view the demand, the Scheme was extended to all the remaining rural districts of India from 1st April, 2008. Till year 2013-14, the programme had distributed Rs.1,55,000 crores directly as wages and generated 1,348 crores of person days of employment across 146 lakhs works. During the XIth Plan period the Union Govt. released Rs.1,41,015 crores and total expenditure was Rs. 1,57,693 crores on MGNREGA (this includes State contributions). Despite huge expenditure and far reaching consequences of such an intervention in rural sector, no national level research was conducted to study it holistically. Thus, it was decided by the Ministry of Rural Development, to conduct a national level Evaluation of MGNREGA to study it in a holistic manner. In this study, all the aspects of programme implementation, perceived benefits from the programme and its impact on the lives of beneficiaries have been studied.

## **MONITORING & EVALUATION**

- The Ministry has set up a comprehensive monitoring system. For effective monitoring of the projects 100% verification of the works at the Block level, 10% at the District level and 2% at the State level inspections need to be ensured.
- In order to optimize the multiplier effects of NREGA, the Ministry has set up a Task Force to look at the possibility of convergence of programmes like National Horticulture Mission, Rashtriya Krishi Vikas Yojana, Bharat Nirman, and Watershed Development with NREGA.
- These convergence efforts will add value to NREGA, works and aid in creating durable efforts and also enable planned and coordinated public investments in rural areas.

### **NREGA PHASE I(2009-10):**

During 2008-09, NREGA provided employment opportunities for more than 4.47 crore households as against 3.39 crore households covered in 2007-08. Govt. is committed to providing a real wage of Rs.100 a day as an entitlement under the NREGA. To increase the productivity of assets and resources under NREGA, convergence with other schemes relating to agriculture, forests, water resources, land resources and rural roads is being initiated. In the first stage, a total of 115 pilot districts have been selected for such convergence. Govt. of India has proposed an allocation of Rs.39,100 crore for the year 2009-10 for NREGA which marks an increase of 144% over 2008-09 Budget Estimates.

Over the last two years, implementation trends maintain the basic objective of the Act. In 2007-08, 3.39 crore households were provided employment and 143.5 crore person days were generated in 330 districts. This is a 60 crore increase over SGRY (586 districts in 2005-06). Self-targeting in nature, the Programme has ensured a high work participation of marginalized groups like SC/ST (57%), women (43%) and BPL (129%).

### **ENHANCED WAGE EARNING AND INCREASE IN MINIMUM WAGES**

The enhanced wage earnings have lead to a strengthening of the livelihood resource base of the rural poor in India, more than 68% of funds utilised have been in the form of wages paid to the labourers. Nascent evidence through independent studies indicates positive impact of the programme on stemming distress migration, supplementing household incomes, and the regeneration of natural resources.

During the year 2007-08 Rs 10,738.47 crore was paid as wages under NREGA to more than 3.3

crore households out of a total expenditure of Rs 15,856.89 crore.

Since the inception of NREGA States' minimum wages for agricultural labourers have increased. In Maharashtra the minimum wage went up from Rs. 47 to Rs. 72 and in Uttar Pradesh it has increased from Rs. 58 to Rs. 100. Similarly wage rates were revised in Bihar from Rs 68 to Rs. 81, in Karnataka from Rs. 62 to Rs. 74, West Bengal from Rs. 64 to Rs. 70, in Madhya Pradesh from Rs 58 to Rs. 85, in Himachal Pradesh from Rs 65 to Rs. 75, in Nagaland, from Rs 66 to Rs 100, in J & K from Rs 45 to Rs. 70, in Chhattisgarh from Rs 58 to Rs 72.23.

### **IMPACT ON RURAL INFRASTRUCTURE AND REGENERATION OF NATURAL RESOURCE BASE**

In 2006-2007 about 8 lakh works were taken up of which 5.3 lakh were water conservation, harvesting, irrigation, drought proofing and flood control works. In 2007-2008 17.8 lakh works were undertaken, of which 49% were water conservation works leading to regeneration of natural and livelihood resource base in rural areas. In 2008-2009, upto July, 14.5 lakh works have been taken up.

### **TRANSPARENCY AND PUBLIC ACCOUNTABILITY**

Social Audit is an important feature of the National Rural Employment Guarantee Act. In the context of NREGA the process of Social Audit includes continuous public vigilance and verification of registration of families, distribution of job cards, receipt of work applications and issue of dated receipts, preparation of shelf of projects and selection of sites, allotment of work to applicants, payment of wages, evaluation of work, payment of unemployment allowance, execution of work and maintenance of muster rolls.

## FINANCIAL INCLUSION

The large flow of funds from Government treasury to poor rural households has given the Ministry an opportunity to bring the beneficiaries into the organized banking system. A massive campaign for opening of saving accounts of the NREGA workers in banks and post offices has been launched; 2.28 crore Bank and Post Office accounts under NREGA have been opened.

## PHASE II (2010-2013)

The programme started in 2006 in few districts and by the year 2012-13, it was spread across all the districts of the country. The performance of the programme on few imp indicators for the year 2010-11, 2011-12 and 2012-13 has been presented in the following table-

Financial Years	2010-11	2011-12	2012-13
<b>A. Physical Works</b>			
Total Works taken up (in lakhs)	50.99	82.51	104.62
Works completed (in lakhs)	25.9	18.56	25.53
<b>Work Complete ratio</b>	<b>50.8</b>	<b>22.5</b>	<b>24.4</b>
<b>B- Person Days generated</b>			
Total person days generated (in crores)	257.15	218.76	230.41
Person days generated for SCs	31%	22%	22%
Person Days generated for STs	21%	18%	18%
Person days generated for Women	48%	48%	51%
<b>Financial Years</b>			
<b>Average person days per employed household</b>			
	<b>47</b>	<b>43.23</b>	<b>46.2</b>
<b>C- Financial Details</b>			
Total available funds (in Rs crores)	54172	48832	45051
Expenditure (in Rs. crores)	39377(73%)	38035(78%)	39657(88%)
Expenditure on unskilled wages (in Rs. crores)	25687	24861	27128

Financial Years	2010-11	2011-12	2012-13
<b>Expenditure on unskilled wages to total expenditure (in %)</b>			
	<b>65.2%</b>	<b>65.4%</b>	<b>68.4%</b>
<b>D. Types of work taken up</b>			
Water conservation	48%	60%	46%
Works on individuals land	18%	11%	11%
Rural Connectivity	18%	17%	12%
Land Development	14%	8%	6%
Any other activity	1.7%	3.6%	9.66%
Rajiv Gandhi Seva Kendra	0.3%	0.4%	0.28%
Coastal Areas			0.00%
Rural Drinking Water			0.03%
Fisheries			0.03%
Rural Sanitation			15%

Source: nrega.nic.in

## PHYSICAL WORKS

Number of works is carried out across the country keeping in mind the potential demand of the people and of particular region/area. It was observed that maximum works were taken up in the category of Water Conservation followed by Rural Connectivity. In this phase II, 48 percent, 60 percent and 46 percent works were taken up in

the category of Water Conservation in the years 2010-2011, 2011-2012 and 2013-2014 respectively. In the year 2010-2011, 18 percent, 17 percent and 12 percent of the works were taken up in 'rural connectivity,

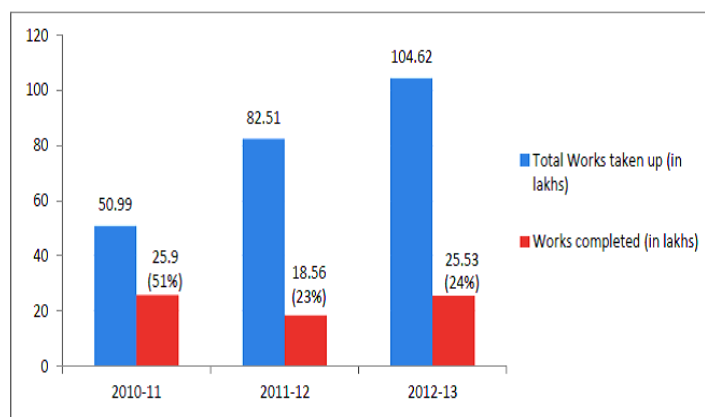
This focus on water and land development presumed an increase in the land productivity in future and movement of people from wage

employment to sustainable employment in their own villages. According to a study conducted by **Indian Institute of Science, Bangalore** during 2012-13 it was indicated that such works, as taken up under MGNREGA, have contributed to improved ground water levels, increased water availability for irrigation, increased area irrigated by ground and surface water sources and improved drinking water availability for humans and livestock.

**STATUS OF WORK COMPLETED**

All India status of the ‘works taken up’ and ‘completed’ is shown in the following figure 1. The work completed ratio is also shown in the figure in bracket, which is showing a drastic decline in the year 2011-12 from 51 percent to 23 percent.

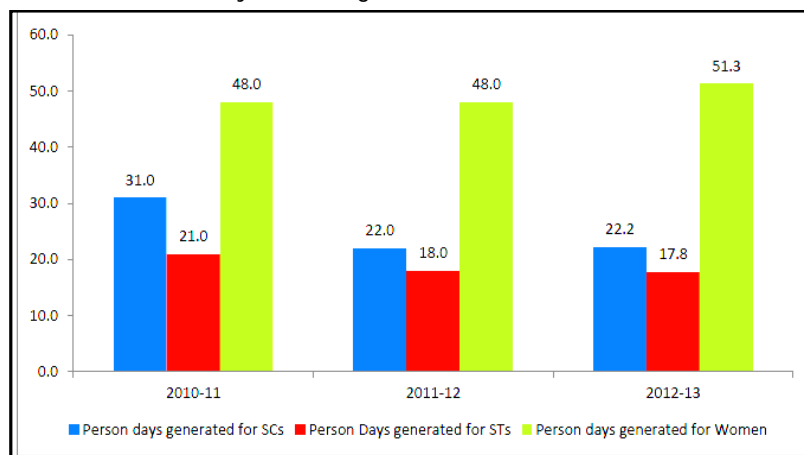
**STATUS OF PHYSICAL WORKS OF MGNREGA IN THREE YEARS**



In 2012-13, the average work completion percentage for India was 24 percent. The completion percentage is cumulative of both ‘spill over works’ from the previous year and ‘new works’ in the current year.

number of beneficiaries. It provides employment to, on an average, 5 crore households, every year. This is almost 30 percent of the total rural households in the country. Since its inception MGNREGA has generated 1,575 crore person-days of employment up to December, 2013. The nationwide break up of percentage of person-days generated among SC, ST and Women is shown in the Figure 2.

**Generation of Employment** - This programme is meant to provide employment to all needy and marginalized sections of the society. MGNREGA has provided basic income security to a large



**Figure 2. Breakup of Person Days in the reference period (in %)**

The state-wise percentage of man days generated for SC and ST population in 2012-13 is shown in the Table-2 below. Each state has its own demographic structure, therefore, SC

workers were almost not found in north-eastern states. Similarly, in the states of Punjab, Haryana, Uttar Pradesh and Tamil Nadu, population of STs were almost negligible.

**Table 2. Percentage of person days generated among SCs & STs in 2012-13**

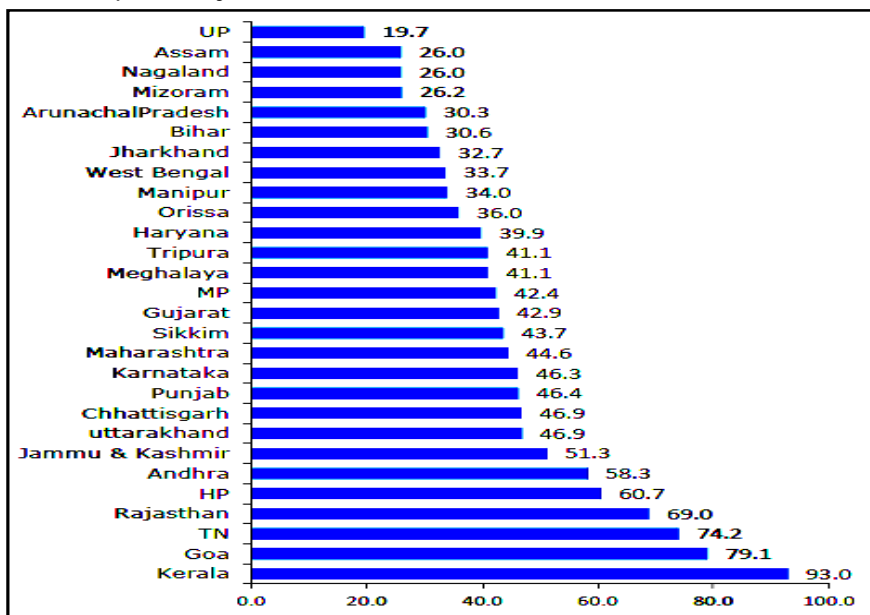
States	SC	ST	States	SC	ST
Punjab	78.50	0.03	Karnataka	16.89	8.97
Haryana	50.71	0.00	Kerala	15.85	2.63
Uttar Pradesh	33.83	1.03	Jharkhand	12.80	40.37
West Bengal	32.53	9.96	Chhattisgarh	9.06	38.40
Tamilnadu	31.37	1.32	Maharashtra	8.90	16.87
Himachal Pradesh	28.51	6.83	Gujarat	8.59	38.54
Bihar	27.47	1.95	Assam	6.00	20.82
Andhra	23.38	15.43	Sikkim	4.31	40.25
Jammu & Kashmir	22.22	17.79	Goa	3.61	19.64
Rajasthan	19.67	24.22	Manipur	1.49	64.05
MP	18.86	28.57	Nagaland	1.08	93.44
Uttarakhand	17.80	2.52	Meghalaya	0.66	92.81
Odisha	17.59	37.70	Arunachal Pradesh	0.03	88.96
Tripura	17.38	43.09	Mizoram	0.02	99.74

Source: ngrega.nic.in

**PERSON-DAYS FOR WOMEN**

The participation of women as work force has been more than the obligatory guidelines of 33 percent. Approximately, 49 percent of the work force was women in the reference period. In the year 2012-13, person days generated for women were more than that of men at national level, which means that it is preferred more by women, may be because of the proximity of work sites to

their homes. But, when analysed state-wise, there emerges a different scenario across various states highlighting a large variation in the proportion of women work days (20 percent to 93 percent). Kerala is the state where 93 percent of the person days were generated by women workers. Goa and Tamil Nadu stand at second and third place. The lowest number of women person days was generated in Uttar Pradesh.

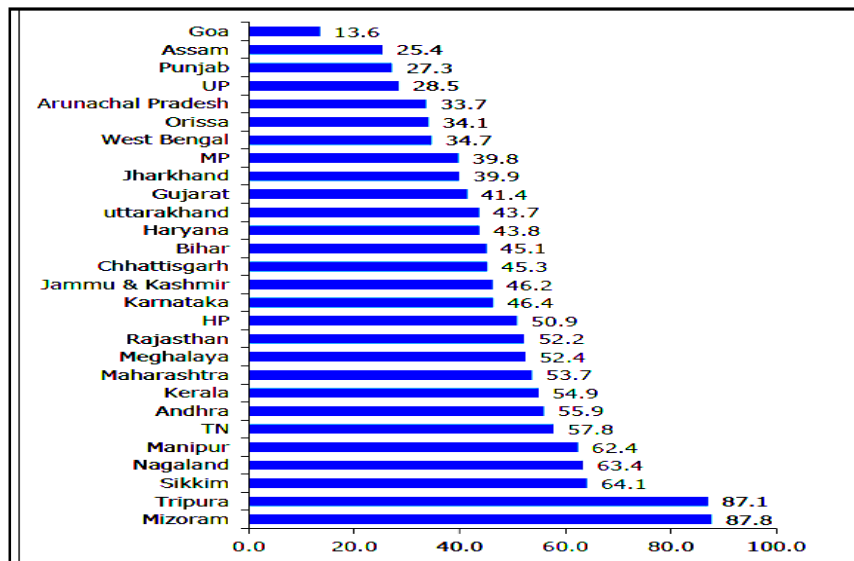


**Figure 3. Person days generated for women in the year 2012-13 (in %)**

### **AVERAGE PERSON DAYS PER EMPLOYED HOUSEHOLD**

The national average of employment per household has been 47 days, 42 days and 46.2 days for the years 2010-11, 2011-12 and 2012-13, respectively. The entitlement is of 100 days, which is the maximum one household can get in a year. It has also varied across the states. In the

year 2012-13, Mizoram and Tripura have provided 87.81 and 87.10 person days per household, respectively. During the same time, Goa has provided just 13.6 days of average work to the employed households as shown in Figure 4. Higher average person days generated in the states of Tripura and Mizoram shows that there is high demand of work and these states have implemented it quite seriously.



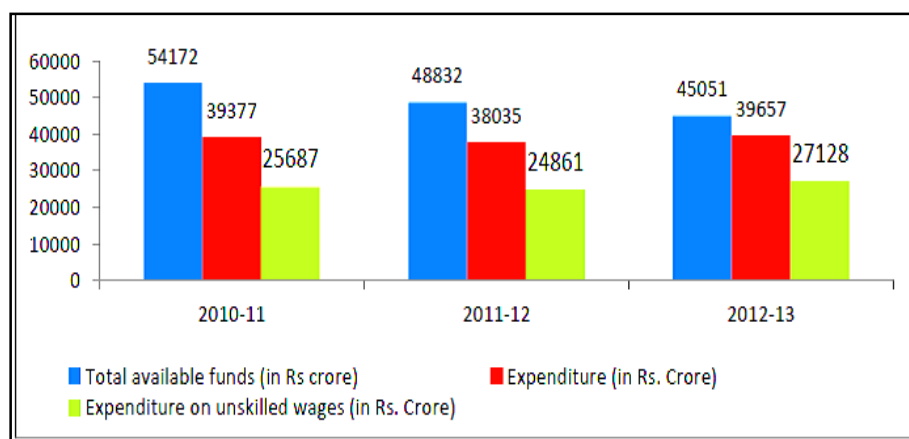
**Figure 4. Average person-days per employed household**

### **FINANCIAL DATA**

The financial data of the three years has been represented graphically in Figure 5. It can be observed that despite the demand for the programme, 100 percent utilization has not been there of the available funds across these years.

The maximum utilization was in the year 2012-13, and that was to the tune of 88 percent.

There are guidelines for spending also. The approved ratio for wage and material is 60:40. This ratio has been observed across all the years. Approximately, 68.5 percent of the expenditure in these three years was on wages.

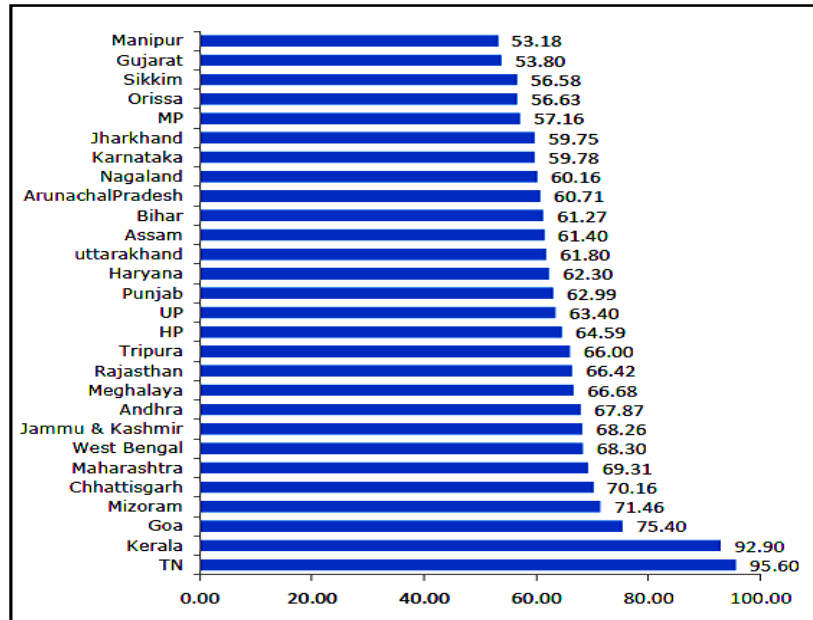


**Figure 5. Financial performance during 2010-13 (in crores)**



The financial data of the year 2012-13 reflects that, nationally, wage component of the programme was 68.3 percent, which means 31.7 percent was spent on materials and skilled labour. Thus, the expenses were well within the limits in both the heads, though, more can be spend on wages under all the works, if more

manual labour is engaged. It may be seen that in the states of Kerala and Tamil Nadu more than 90 percent has been spent on wages. The states of Manipur, Gujarat, Sikkim, Odisha, MP, Jharkhand and Karnataka have spent less than 60 percent on the wages.



**Figure 6. Expenditure on unskilled wages to total expenditure (in %)**

**Use of IT:** To further check irregularities in the payment of wages and to safeguard rights of workers, the Ministry of Rural Development decided upon using telephone based banking services which would be easily accessible to the workers even in the remote areas of the country. Banks have also been asked to support initiatives like Smart Cards and other technological interventions for facilitating easy and effective disbursement of wages. Web enabled Management Information System (MIS) ([www.nrega.nic.in](http://www.nrega.nic.in)), one of the largest data base of rural households, makes transparency intrinsic to NREGA by placing all critical parameters such as wage payments, number of days of employment provided and works under execution, online for easy public access. The system has been designed for alerts to support proactive response by management. 44 lakhs Muster Rolls and 3 crore Job Cards have been uploaded so far.

**DEVELOPING CAPACITY FOR DELIVERING A DEMAND BASED PROGRAMME**

NREGA is a significant vehicle for strengthening decentralization and deepening processes of democracy by giving a pivotal role to Gram Sabhas and Panchayati Raj Institutions in planning and implementation of works. The most critical issue is building capacity of these agencies to implement the programme with rigour. Dedicated administrative and technical personnel at Central cost have been deployed specially at the Block and sub-Block levels to augment human resource capacity. Training of NREGA functionaries along with monitoring state action has been undertaken. Thus far, 9,27,766 PRI functionaries and 247173 Vigilance and Monitoring Committee members have been trained.

The Ministry has organized Peer Learning Workshops for District Programme Coordinators enlisting active collaborations with civil society organizations, academic institutions to build formal and informal institutional systems and networks. These linkages have also been for resource support such as, research studies, documentation, and material development. Technical support in key areas of communication, training, work planning, IT, social audits and fund management at all levels of implementation is also being provided.

### **RESTRICTING DISTRESS MIGRATION**

As per reports, Bihar and other Indian states, have been witnessing a reverse migration of their work force. Previously the workers had to migrate from Bihar to Punjab, Maharashtra and Gujarat which has gradually declined because of the availability of employment and better wages in their village which discourages migration into cities in search for work. The wage rate, under NREGA in Bihar is Rs. 81 per day. The stemming of migration has also helped the workers children to attend school regularly.

In order to optimize the multiplier effects of NREGA the Ministry of Rural Development is making an effort to bring about greater convergence of programmes like National Horticulture Mission, Rashtriya Krishi Vikas Yojana, Bharat Nirman, Watershed Development, productivity enhancement etc., with NREGA. This will also enable planned and coordinated public investments in rural areas. This will result in creation of greater sustainable livelihoods in the rural areas.

### **CRITICISM OF NREGA**

Here are some points raised regarding the implementation and success of NREGA in various news papers and magazines:

- In last 3 years on average only 50% of the households that registered under the scheme actually got employment.
- There is a wide variation of performance across states. In terms of the percentage of registered households provided work, Maharashtra has averaged an abysmal 13% over the three years while Rajasthan at the other end of the spectrum has averaged 73%.
- The rural poverty line, which is now in the region of Rs 400 per capita per day, means that an average household that is below the poverty line (BPL) will have an income of something in the range of Rs 24,000 per annum or less, assuming a five member household. In other words, if a BPL family were to get the full promised benefit of NREGA they could earn the equivalent of more than 40% of their annual income from this one scheme alone. That should be enough to see why NREGA should not be seen as just another of the plethora of poverty alleviation schemes that India has had since Independence.
- If this scheme is implemented the right way, there will be no need for MP and MLAs funds. At Rs 2 crore per 543 MP, the allocation comes to Rs 1086 crore (most times this remains underutilized). In his budget, finance minister Pranab Mukherjee has increased the NREGA allocation by 144% and it's now Rs 39,100 crore.
- The Planning Commission has sought the Reserve Bank of India's intervention in streamlining the mechanism of paying wages under the NREGA. The Commission said that the RBI should give directions to banks to ensure that payments to the beneficiaries of the NREGA are made only through banks or post offices. The Commission has pointed out that disbursing funds under the NREGA, which has an annual allocation of Rs30,000 crore, needs to be strengthened to ensure that no leakages happen as the canvas of the

programme is bound to expand in the near future.

## **RECOMMENDATIONS AND SUGGESTIONS**

The lack of efficient and effective social support mechanism impacts the flexibility of the community to cope during distress situations. This in turn results in resorting to negative coping mechanisms like indebtedness, reduced food intake and dietary diversity, neglecting health and nutrition, women and child trafficking, distress migration, etc. To improve individual/community resilience including dignity, it is important to provide them with work opportunities. Thus, a programme of a stature like MGNREGA is needed for Indian villages, where work opportunities vary from season to season. India being a welfare state, it becomes the responsibility of the Government to provide the people opportunities which enables them to lead a life with dignity.

The following issues emerged requiring attention from action perspective.

- **Mobilization of the communities/ villagers-** This is a pre-requisite for the success of any programme. Target audience is needed to be made aware and mobilized in such a manner that they start owning the programme and also participating in its all aspects. It is seen that Kerala performed better in almost all the aspects of the programme. The officials say that it is due to the pre-mobilized community under SHGs which is giving boost to the programme. In addition to this, high literacy rate and more women participation in the programme has made it more successful. In some districts of other states also like Andhra Pradesh, Rajasthan, groups have been formed. They actively participate in planning and thus take interest in doing works also. Hence, it is suggested that community mobilization through forming groups with the help of Civil Society organizations may be taken up across the districts and states.
- **Training of Functionaries-** A very few frontline workers (Mates, GRS, Block level officials) were not fully aware of the 15 necessary provisions (e.g. unemployment allowance, travel allowance, if work site is more than 5kms etc) under the Act; regular capacity building and sensitization of the frontline staff needs to be undertaken to facilitate better implementation/governance of the scheme. Considering staff turnover/transfers regular refreshers needs to be organized. A tailored capacity building programme shall be organized based on the training needs assessment for the frontline staff for desired outcome.
- **Staff Motivation:** There is a need to look into ways of keeping the staff motivated. The staffs are often troubled with job uncertainty.
- **Capacity building of the PRI functionaries:** The capacity of Panchayati Raj Institution needs to be regularly strengthened as per their roles and responsibilities envisaged under MGNREGA. They should be frequently trained about undertaking need assessment, participatory planning, implementation and ensuring accountability measures. This will help in making the programme demand driven (as meant to be) rather than being fund driven (as it actually happens).
- **Ensuring timely fund flow-** Many studies in all the states it has emerged that there is a need to strengthen systems and staff capacities to expedite the flow of funds to meet the demand of work in the stipulated time frame of fifteen days. It was observed that at times, works get hindered due to unavailability of funds. This resulted in non-payment of wages, and incomplete assets/works. A district and state level workshops with key stakeholders may be organized to identify the bottlenecks in timely flow of funds and to draft a corrective strategy.

- **Ensuring Transparency and strengthening accountability measures:** In spite of inbuilt accountability/transparency mechanisms to reduce the risk of corruption, exclusion, etc, there continues to be doubt in the process of job application, unemployment allowance, beneficiary selection, work decisions, work allocations and the like. The accountability systems need to be strengthened to reduce potential corruption risks (Use of machinery, Ghost Job Cards, less administrative control to name a few). It was observed that the community awareness of the accountability measures such as social audit was low and people generally didn't participate in such exercises. Hence, this can be achieved through better community participation to ensure quality implementation.
- **Increase in Wages-**There was a wide spread demand from the beneficiaries to increase the wages under MGNREGA to match the increase in inflation.
- **Ensuring wage-material ratio-**The guidelines on wage material ratio should be strictly adhered. It was observed that in some states it is often not respected, hence defeating the prime objective of ensuring wage employment.
- **Ensuring participatory Planning-**As envisaged in the programme, the Panchayat should always be ready with priority list of works which can be started immediately. It was observed that list was there but it was not prioritized. The political pressures and lobbys in the villages influenced the priorities. Hence, mechanisms should be set at the Panchayat level which can take care of the works and its prioritization. Community mobilization and increased awareness will play a critical role in planning. More and more people should attend Gram Sabha and participate in the planning process. The planning should also ensure that MGNREGA works do not compete with other productive works of the communities like those

undertaken during agricultural season. Such works should amply be available during the lean periods only or in the time of distress.

- **Gender, Disability and Age Mainstreaming-**The planning should ensure that no one is excluded in exercising their 'Right to work'. While planning, the special needs of these groups should be considered and hence appropriate work should be allotted to the one demanding work. The provision of crèche, first aid and shades as provisioned under the Act should be adhered in word and spirit. For example, the mothers of children less than five years should be provided with proper crèches so that the nutritional needs of the children are taken care of. At this time, when India is fighting with hunger and malnutrition, it becomes very important to make this programme more inclusive and sensitive towards ensuring nutritional needs and care of infants and young children. Convergence with ICDS and NRHM may be looked into.

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