# The Role of MGNREGA in Rural Development of Assam

#### Parmita Das

Assistant Professor, Department of Economics, Purbanchal College, Silapathar, Assam, India

#### Author Email: parmitadas77@gmail.com

Abstract—MGNREGA is a remarkable programme for rural development in India. The act was introduced and implemented on February 2, 2006. Initially the programme was known as NREGS (National Rural Employment Guarantee Scheme) and from October 2009, it was known as MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act). The main aim of this programme is to provide hundred days of wage employment to every household in a financial year with the stipulated one-third participation of women. This programme is specially benefitting the SC, ST and women sections of the rural areas of Assam along with the country. The programme is also means for alleviation of poverty in rural areas. Besides its important role in rural employment and developing the living standard of the rural people there are some issues which hinders MGNREGA 100% successful. So to overcome these issues the awareness of people, corruption free implementation of MGNREGA, direct transfer of wages etc. are necessary.

This paper tries to highlight the current status, the participation of SC, ST and Women, the performance and achievement, some of the issues of MGNREGA in Assam.

Keywords: Rural development, wage employment, implementation, programme

## I. INTRODUCTION

MGNREGA works for a paradigm shift from all precedent wage employment programmes in India. As a right based and demand driven programme, it provides a legal mandate of providing employment in a time bound manner. It aims at providing at least 100 days of guaranteed wage employment in a financial year to every rural household, with a stipulated of one-third participation of women. The MGNREGA provides wage employment along with focusing on strengthening natural resource management through works that address cause of chronic poverty like drought, deforestation and soil erosion and thereby encourage sustainable development. It also provides social protection to vulnerable people through supplementary source of income. Thus this Act provides a social safety net for the vulnerable groups of the people of our society and thereby makes an attempt to attain growth with equity. The main features of this Act are:

- i) MGNREGA is not just a scheme but an Act providing legal guarantee to work.
- ii) Any adult person in the notified are willing to do unskilled manual work, can apply for registration with Gram Panchayat. The Panchayat will then issue a job card to that person and the person will be entitled to apply for employment.
- iii) The registered person will then have the legal right to demand employment
- iv) The person will get the right to get employment within 15 days of their demand.
- v) The person will have the right to receive unemployment allowance if the employment is not given within 15 days.
- vi) One third of the beneficiaries will be women.
- vii) Employment will be within 5 km. of the applicants residence, else additional wage will be paid.
- viii) Panchayati Raj Institutions will have the principal role in planning, monitoring and implementation.
- ix) The beneficiaries will get the right for statutory wages.
- x) The beneficiaries will get the right to worksite facilities like drinking water, sheds for children and first aid.

In recent years both the central government as well as state government have taken initiatives for attainment of rural development on different fronts. The centre is bearing 80 per cent of the total cost of the programme and state government has to play a crucial role. The wage component of the implementation of this Act is born by the centre and cost of materials and other components of the work is shared between Centre and the state governments. The rural Development Department and Panchayats works to eradicate chronic poverty to enhance livelihood opportunities, provide social security and works for economic involvement of rural poor families.

However the most striking feature of this Act, is the first attempt of its kind at the national level to work out an employment guarantee programme with 80 per cent central funding with its legal force which makes it quite different than of other employment generation schemes introduced earlier in the country.

# **II. OBJECTIVES**

- 1. To know the current status of MGNREGA in Assam
- 2. To know the performance of MGNREGA in Assam
- 3. To know the issues of MGNREGA act
- 3. To know the achievement of MGNREGA in Assam

## **III. STATUS OF MGNREGA IN ASSAM**

The National Rural Employment Guarantee Scheme (NREGS) was introduced and implemented from February 2, 2006 after passing NREG Act in the Parliament in September, 2005. Initially the scheme is launched in 200 districts of the country and by 1<sup>st</sup> April it covered 593 districts covering 4, 49, 40,870 rural households. National Rural Employment scheme (NREGS) is renamed as Mahatma Gandhi Rural Employment Guarantee Act (MGNREGA) on October 2009. 1. The main objective of this Programme is to provide for the enhancement of livelihood activity of the households in rural areas of the country by providing at least one hundred days of guaranteed wage. It also provides social protection to the vulnerable people through supplementary source of income. There are two broad divisions of expenditure under wage employment programme which include 60% on wage component and 40% on material component. The wage portion is completely paid to the job card holders paid through their Bank account or Post Office account to ensure fairness and transparency in wage payment. In order to minimize the leakage due to misutilisation of fund under MGNREGA, Management Information System (MIS) is made compulsory.

Another primary objective of the programme is to create rural infrastructure. Altogether 4603 number of assets were created under the 9(nine) permissible works of the MGNREGA programmes during the year 2011-12. This are-

- 1. Road connectivity
- 2. Flood control
- 3. Water conservation and water harvesting
- 4. Drought proofing
- 5. Micro Irrigation
- 6. Provision of irrigation facility to load development
- 7. Renovation of Traditional water bodies
- 8. Land development
- 9. Others

# IV. DISCUSSION AND DATA ANALYSIS

The prime objective of the MGNREGA is to employment generation. MGNREGA is providing 25-30 person days in rural areas of Assam as a rural employment programme. The MGNREGA specially benefitting the SC, ST and Women from the date of its implementation. The data given below shows the performance of MGNREGA in rural areas of Assam.

Financial Year					
	2017-18	2018-19	2019-20	2020-21	2021-22
Persondays Generated(in lakhs)	480.68	532.47	623.06	911.53	918.73
SC Persondays % as of total Persondays	4.52	5.14	4.94	4.42	4.52

Table-1

ST Person days % as of total Person days	15.28	20.06	17.75	14.5	16.14
Women Person days out of total %	38.51	41.08	41.77	44.08	47.55
Average days of employment provided per household	28.54	30.58	32.31	36.31	33.56
Average wage rate per day per person (Rs.)	182.97	188.96	192.97	212.91	223.94
Total number of households completed 100 days of wage employment	10,928	18,359	29,979	71,268	52,609

Source: Ministry of Rural Development, Govt. of India, as on 11-06-2022

Financial year					
	2018-19	2019-20	2020-21	2021-22	
Total Expenditure (Rs. In Lakhs)	1,33,844.52	1,47,629.31	2,34,817.84	2,39,563.21	
Wages (Rs. In Lakhs)	99,897.38	1,22,674.18	1,91,422.46	2,03,150.28	
Average Cost Per Day Per Person (In Rs.)	233.38	221.99	238.17	270.41	

Table-2

Source: Ministry of Rural Development, Govt. of India, as on 11-06-2022

From the Table-1 it is seen that MGNREGA has generated 480.68 lakhs person days in 2017-18 which has increased to 918.73 in 2021-22. In case of SC person days out of total person days is 4.52%, 5.14%, 4.94%, 4.42% and 4.52% respectively in 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22. The ST person days % as of total person days is more than that of SC person days which is increased from 15.28% in 2017-18 to 20.06 in 2018-19 and decreased up to 2020-21 and again it increased only to 16.14% in 2021-22. The women person days to total person days in increasing gradually which are 38.51 in 2017-18, 41.08 in 2018-19, 44.08 in 2020-21 and stood at 47.55% in 2021-22. So it is reveals from above discussion that the MNREGA has providing employment to the vulnerable sections of the rural societies of Assam is not satisfactory. However between SC and ST the performance of SC is very poor. The participation of women is somehow satisfactory as their participation is increasing till date.

From the Table-2 it is reveals that total expenditure for the work is 1,2-33,844.52 lakhs during 2018-19, 1,47,629.31 lakhs in 2019-20, 2,34,817.84 lakhs in 20-2021 and has stood at 2,39,563.21 in 2021-22. This shows that the total expenditure is increasing in every financial year. The wages made is 99,897.38 lakhs in 2018-19, 1, 22,674.18 lakhs in 2019-20, 1, 91,422.46 lakhs in 2020-21 and reached to 2, 03,150.28 lakhs in 2021-22. Again the average cost per day per person is Rs.233.38 in 2018-19 which decreased to Rs.221.99 in 2019-20, Rs.238.17 in 2020-21 and increased to Rs.270.41 in 2021-22.

The main objective of MGNREGA is to provide 100 (hundred) days of work. In 2017-18, only 10,928 households have completed 100 days of wage employment in Assam. Again in 2018-19, 18,359 household completed 100 days of wage employment. Average days of employment provided per household in 2020-21was 36.35 in Assam against of 51.52 in all India

average. Again in Assam the average days of employment provided per household in earlier years was around 30 percent against the all India average of 50. This shows that there is still a large number of job seekers in rural areas of Assam. Various information from the villagers and reports reveals that the implementation of MGNREGA in Assam is still poor. The average days of employment provided to each of the 1,34,8377 households was only 24.8 as on October 2019 which is far below the objective of 100 days.

In case of issue of job card which is essential for getting employment, total number of job card issued was 15.1 crore till May 2021 and altogether 29.21 crore workers worked across the country.

In Assam during that particular date altogether 58.55 lakh job cards were issued in the state and up to June 2022 total job card issued is 64.34 lakhs and total number of active card is 38.37 lakhs

Wage rate is an important indicator for the earning of a household. In India the average wage rate was Rs. 200.71 2020-21 and in Assam the same was Rs. 212.92 indicating Assam pays more wage than all India. The wage from 2018-19 to 2021-22 for Assam is shown in the below table:

Financial Year						
	2018-19	2019-20	2020-21	2021-22		
Average wage rate	188.96	192	212.92	223.94		



Source: Ministry of Rural Development, Govt. of India, as on 11-06-2022

From the Table-3 it is reveals that the average wage rate is increasing in every financial year. The average wage rate was 188.96 in 2018-19, 192 in 2019-20, 212.92 in 2020-21 and 223.94 in 2021-22.

#### V. THE ISSUES OF MGNREGA IN ASSAM

- 1. Lack of Provisions of MGNREGA among the villagers and lack of knowledge is one of the major causes of poor implementation of MGNREGA in Assam.
- 2. According to the guideline of MGNREGA within the fifteen days of the completion of work the payment should be made. But incorrect payment and delay of payment is a common problem under MGNREGA. This is due to the late transfer and inadequate transfer of funds from the sponsoring agency to implementation agency. The government should look into matter and ensure easier availability of funds.
- 3. One of the shortcomings of MGNREGA is absence of social audit. Though social audit is made mandatory yet in some cases social audit is not done properly.
- 4. As the wage of the workers are paid to their account. So the workers need to visit bank more than once for their wages. Due to great rush and cost involving in getting wages from the bank the workers do not get their wages in time.
- 5. Due to the lack of awareness among the people the programme is not fully implemented in Assam. Even the people are not aware about their basic entitlements such as minimum wage amount, job cards, minimum number of employment days etc.
- 6. Corruption adversely affects the MGNREGA in Assam. There is fake entries of name and in some cases the name is repeated more than once.. To reduce the corruption there should be a strict enforcement of transparency safeguards and Proper implementation of Direct Benefit Transfer scheme.
- 7. Due to law wage rate, many people are backing out of the scheme and middlemen are taking control of the scheme.
- 8. There is a provision of unemployment wages under MGNREGA if local authorities fail to provide employment. Widespread ignorance about how to avail unemployment allowance creates corruption which eventually affects true potential of the scheme.

## VI. CONCLUSION

MGNREGA is the remarkable programme for rural development and poverty alleviation programme in India. In Assam the act was initially introduced in 7 districts in 2006-07 as the first phase, in 6 districts in 2007-08 as the second phase and since 2008-09 all remaining districts are being covered under the programme. Studies show that the programme has provided employment opportunities especially to the ST, SC and women sections. The programme is successful in increasing the participation of ST, SC and women workforce.

MGNREGA is playing pivotal role in rural employment and developing the standard of living of the people of Assam from the date of its introduction. However still there are some issues in MGNREGA such as lack of awareness among the people, lack of proper maintainenance of audit, corruption etc. The government authorities recently initiated some measures to check the issues for proper implementation of the programme. Corruption free implementation of MGNREGA, direct transfer of wages, awareness of the rural people about the programme will definitely make MGNREGA successful in Assam.

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