

PERFORMANCE OF MGNREGA: AN OVERVIEW

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Abstract

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is one of the most important acts for India's rural poor, the act provides a Legal guarantee for at least 100 days of employment to begin with on asset-Creating public works programmes every year at minimum wages to at least one able-bodied person in rural poor and lower middle class house hold. In this scheme was renamed as MGNREGA the memorandum of 130 th year Gandhi jayanthi on 2nd October 2009. MGNREGA is a powerful instrument for ensuring inclusive growth in rural India through its impact on social protection, livelihood security and democratic empowerment. In the scheme central and state government share was 75 percent and 25 percent respectively. . Its budget outlay increased from Rs. 11,300 crores in 2006-07 to Rs. 40,100 crores during 2011-11.

In a rural agrarian economy, which is also labour surplus, the population depends on the wages they earn through unskilled casual manual labour. They are vulnerable to the possibility of sinking from transient to chronic poverty in the event of inadequate labour demand or in the face of unpredictable crisis like ill health and disaster. In a context of poverty and un-employment work for programme have been important interventions in developed as well as developing countries for many years. This programme typically provides unskilled manual workers with short term employment on public work such as irrigation, infrastructure, forestation, soil conservation and road construction. The rationale for workfor programme provides incomes transfer to poor households during critical times and therefore enable consumption smoothening specially during slack agriculture seasons. In countries with high unemployment rate transfer benefit from work for programmer can prevent poverty worsening especially during lean these programmes may create have the potential to generate a second round of employment benefit as necessary infrastructure is developed. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is one of the most important acts for India's rural poor, the act provides a Legal guarantee for at least 100 days of employment to begin with on asset-Creating public works programmes every year at minimum wages to at least one able-bodied person in rural poor and lower middle class house hold. NREGA came into force on sept 7th 2005 and its implementation was notified in phased manner. In first phase it was introduced in 200 district the country on Feb 2nd 2006, 130 districts were further included under NREGA in second phase with effect from April 1st 2007, the scheme was extended to the remaining 274 Districts of India from April 1st 2008. In this scheme was renamed as MGNREGA the memorandum of 130 th year Gandhi jayanthi on 2nd October 2009.

Tamil Nadu state is one of the leading states where MGNREGS is being implemented successfully, by covering about 19.70 lakh households and disbursing 744.08 crore during the period of 2006-2008. Another welcome feature of the Scheme witnessed in the state is the overwhelming participation of women, which was nearly 81 per cent, as opposed to Himachal Pradesh which recorded only 12 per cent women participation.

Funding System

In this scheme, the Central Govt. bears the entire cost of wages of unskilled manual workers and 75% cost of materials and wages of skilled and semi-skilled workers together with some part of administrative expenses. Rests 25% of cost of materials are born by respective State Govts.

Objectives of MGNREGA

MGNREGA is a powerful instrument for ensuring inclusive growth in rural India through its impact on social protection, livelihood security and democratic empowerment. It's an important objectives are

1. Social protection for the most vulnerable people living in rural India through providing employment opportunities
2. Livelihood security for the poor through creation of durable assets, improved water security, soil conservation and higher land productivity.
3. Drought- proofing and flood management in rural India
4. Empowerment of the socially disadvantaged, especially women, Scheduled Castes (SCs) and Schedules Tribes (STs), through the processes of a rights- based legislation
5. Strengthening decentralized, participatory planning through convergence of various anti-poverty and livelihoods initiatives
6. Deepening democracy at the grassroots by strengthening Panchayat Raj Institutions
7. Effecting greater transparency and accountability in governance

Table 1: Fund Allocation of MGNREGS

Year	Central Budget Rs in crore	Total Fund available Rs in crore	Actual Expenditure Rs in crore
2006-07	11300	12073.62	8823.35
2007-08	12000	19278.77	15858.44
2008-09	30000.19	36300.45	27250.68
2009-10	39100	45682.46	37909.77
2010-11	40100	52648.89	39377.27
2011-12	31000	41563.51	37548.78

Source: Reports of MGNREGA, Ministry of Rural Development, New Delhi

Table 1 relates to financial performance of MGNREGS scheme. The table budget of central government funds and actual expenditure presents increasing movement. Central government has increased from 11300 crores in 2006-07 to 31000 crores in 2011-12, whereas actual expenditure increased from 8823.35 crores to 37548.78 crores during reference period.

Table 2: Employment Provided to ST, SC and Women People in MGNREGS

Year	Total provided-employment person days in lakh	Employment to women-to person days in lakh	Employment ST- person days to in lakh	Employment SC- person days to in lakh	Employment to others person days in lakh
2006-07	9095.54	3679.01	3298.73	2295.23	3456.59
2007-08	14367.95	6109.10	4205.60	3942.34	6219.98
2008-09	21632.86	10357.32	5501.64	6336.18	9795.06
2009-10	28359.57	13640.51	5874.39	8644.83	13840.35
2010-11	25715.25	12174.23	5361.80	7875.65	12477.81
2011-12	21142.04	10186.80	3838.49	4660.57	12643.00

Source: Reports of MGNREGA, Ministry of Rural Development, New Delhi

Table 2 presents the year wise employment of economically and socially disadvantaged group (women, ST& SC) of the society. The employment of the discussed group has gone up. Out of 9050.54 lakh person days generated women workers were provided employment of 3679.01 lakh person days in the year 2006-07. In 2011-12 employment to the tune of 10186.8 lakh person days were provided which account for 48.18 of total person days generated in the year. The ST and SC people have been 3298.73 lakh, 2295.23 lakh in 2006-07 and 3838.49 lakh, 4660.57 lakh respectively in 2011-12. All the parameters SC, ST and women shows favourable employment opportunities.

Current Status of MGNREGA

In current financial year 2011-12, (upto December, 2011) 3.77 Crore households were provided employment and 120.88 Crore person-days of employment were generated. The enhanced wage earnings have led to a strengthening of the livelihood resource base of the rural poor in India 72 per cent of funds utilized were in the form of wages paid to the workers. Self targeting in nature, the programme has high work participation for marginalized groups like SC/STs (40%) in 2011-12 (upto December, 2011). Total works undertaken were 62.72 lakh in the same period, of which 53 percent relates to Water Conservation, 12 per cent for the provision of Irrigation to lands owned by SC/ST/BPL/S&M Farmers and IAY beneficiaries, 22 per cent for Rural Connectivity, 9 per cent for Land Development, 4 per cent for Any other activity and 0.37 per cent for Bharat Nirman Rajiv

Gandhi Seva Kendra. Women participation in current financial year upto December, 2011 was 49% and the participation of SC& ST in current financial year upto December, 2011 is 40%.

Table 3: Financial Allocation of MGNREGA

Year	Budget allocation (in Rs. Crore)	% increase over the previous year	index	Total available fund including Outstanding balance (In Rs.Crore)	Expenditure (in Rs. Crore)	% of utilization
2006-07	11,300	-	100.00	12,073.55	8823.35	73.10
2007-08	12,000	6.19	106.19	19,305.81	15856.89	82.26
2008-09	30,000	150.00	265.49	36,300.00	27250.10	75.07
2009-10	39,100	30.33	346.02	45,682.00	37905.61	82.99
2010-11	40,100	2.56	357.87	52,649.00	39377.27	74.79
2011-12	40,000	-0.25	353.98	41,545.00	36941.08	74.70
2012-13	33,000	-17.50	292.04	-	-	-

Source: Reports of MGNREGA, Ministry of Rural Development, New Delhi

Table 3 presents the Central financial outlays for MGNREGA from 2006-07 to 2011-12. The budget estimate for 2012-13 is kept at Rs. 33,000 crore. The 2012-13 plan allocation for MGNREGA has been reduced by 17.5 per cent. Its budget outlay increase from Rs. 11,300 crore in 2006-07 to Rs. 40,100 crores in 2011-11. The scheme experienced a decline trend in the budget allocation from Rs.40, 100 crore in 2010-11 to Rs.40, 000 crore in 2011-12.

Women Empowerment

The government of India has made Empowerment of Women as one of the principal objectives of the Ninth Five Year Plan (1997-2002) and also declared 2001 as the year of 'Women's Empowerment'. Our Constitution has conferred and guaranteed equality before law, universal adult franchise and equal opportunities for men and women as fundamental rights. The imperative of gender partnership in matters of development has been recognized. In order to give a fillup to empowerment of women, appropriate institutional mechanisms and interventions have been consciously built into the development design.

The economic dependence of women on men in rural India plays a major role in the subjugation of women, and in this respect, NREGA is an important tool of social change. The women participation in MGNREGA is analyzed in Kerala is the highest (92.26 per cent) in 2010-11 followed by Rajasthan (81.59 per cent). The growth of women empowerment year to year during 2007-10 Punjab, Kerala, Rajasthan and Maharashtra are the best

performers in 2007-09. Orissa (9 per cent) and M.P (10 per cent) are in the least change and West Bengal and Bihar followed them in 2007-09. Other states are above or nearer to all India level (41 per cent). When the data is analyzed in 2008-10, Maharashtra, M.P. Rajasthan and Haryana recorded decline from 78 per cent to 3 per cent. Karnataka displayed high change by 84 per cent followed by Gujarat and West Bengal. Bihar and Orissa have shown lower change and the other states increased than the all - India level (25 per cent). It is much better to make the programme to be a social concern and assure good economic life through awareness generation in the rural poverty ridden families. “In some cases the diet pattern of laborers as some people have reported that they have been able to include meat occasionally in their diet” (PACS2007).

Table 4: Performance of MGNREGA (National Overview) during 2007-08 to 2011-12

Indicator	2007-08	2008-09	2009-10	2010-11	2011-12 (up to Dec, 2011)
No. of Districts	330	615	619	626	626
Total Job Cards Issued (in Crores)	6.48	10.01	11.25	11.98	12.07
Employment provided to households (in Crores)	3.39	4.51	5.26	5.49	3.77
Budget Outlay (Rs. in Crores)	12000	30000	39100	40100	40000
Central Release (Rs. In Crores)	12610.39	29939.60*	33506.61*	35768.95	22251.84
Expenditure (Rs. In Crores)	15856.89	27250.10	37905.23	39377.27	20866.56

*Remaining Rs.60.59 Crores spent on minor heads in FY: 2008-09

Source: Official website of MGNREGA (<http://mgnrega.nic.in>)

Table 4 describes the performance MGNREGA during 2007-08 to 2011-12. The programme was implemented in 2007-08 only in 330 districts. It was extended to 626 districts during 2011-12. Budget outlay was increased from 12000 crores during 2007-08 to 40100 crores during 2010-11. It had decline 40000 crores next year

Conclusion

MGNREGA attempt government of India to tackle the unemployment problem. An employment reduces the poverty. Employment brings the income, income rise the standard

of living. Basically over poor people purchasing capacity increasing means unemployment automatically reduced. So this scheme very fruitful in our economy. It will ultimately lead to sustainable development.

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