

An Evaluation of the Mahatma Gandhi National Rural Employment Guarantee Act in Mech Kachari Living Areas: A Study in Dibrugarh District of Assam

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ABSTRACT

The history of development of the Indian economy manifests poverty and unemployment as the two interconnected chronic problem of the Indian economy. The gravity of the problems has been on the rise with increasing pressure of population. Due to its seasonal nature, agriculture has failed to provide employment for the whole year in the rural areas. Moreover, the non-agricultural employment has also not grown substantially to provide employment to the rural population. Due to a number of causes poverty and unemployment have become chronic problem for India. As an effort to provide livelihood security to the rural population government of India has undertaken a number of wage-employment policies among which MGNREGA is one. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a wage employment guarantee scheme for rural unskilled workers of India. It aims to enhance livelihood security in rural areas. The Act provides a legal guarantee of 100 days work in a financial year to every rural household whose adult members are willing to do unskilled manual work at a statutory minimum wage rate. The objectives of this study is done to evaluate the performance and awareness of MGNREGA in the Mech Kachari living areas in Dibrugarh district of Assam. At last it has been given some suggestions to implementing this scheme. The study was conducted with sample of 100 beneficiaries selected from Mech Kachari living areas of Dibrugarh district.

Keywords

MGNREGA, Employment, beneficiary, CAGR, person days

INTRODUCTION

India is a developing country which is characterized by low income levels, poor quality of life, lack of capital formation, low employment etc. After the economic

reform, India has grown economically in faster rate in terms of reduction of poverty, unemployment, and regional disparity etc. But now a day in India, the problem of unemployment has become very serious issue. Various causes responsible for unemployment problem of India are increasing population, lack of appropriate technology, faulty education system, migration etc.

In order to reduce the unemployment problem or poverty, the government has launched various programmes to provide employment to the rural people of India. But most of the programmes failed to do so. Due to absence of quality employment opportunities in rural areas, an increasing number of rural households have to remain jobless and as a result they face economic crisis. To reduce this problem seriously the parliament of India passed the National Rural Employment Guarantee Act (NREGA) on August 23, 2005. It was notified September 7, 2005. Initially the Act was introduced in 200 selected backward districts of India. Later on 2007, The Act was extended to 130 additional districts. It was renamed as Mahatma Gandhi National Rural employment Guarantee Act (MGNREGA) on October 2, 2009. The MGNREGA being the world's largest employment scheme has shown a significant improvement in different aspects of uplifting of the rural households by providing guaranteed employment. It guarantees to provide 100 days employment to every rural family who willing to do unskilled manual work. The main objective of the scheme is to increase wage employment and its secondary objective is building the natural resources through different works that solve the causes of poverty like drought deforestation and soil erosion, rural connectivity and so encourage sustainable.

The table 1 shows the time line of MGNREGA. The Act was first introduced in 200 most backward districts of the country in Feb 2006. But in the next year, the act was extended further to 130 more districts & within a year after the Act got universalized by bringing the entire country under its horizon with the exception of districts that have hundred percent urban population. In October

2008, the Act decided to provide wages through bank or post office. The Act got soon named after Mahatma Gandhi (on Oct 2nd 2009) to make the Act more reachable

to the masses and thus, it became Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

Table 1: Timeline of MGNREGA

September 2005	February 2006	April 2007	April 2008	October 2008	October 2, 2009
NREGA was notified	Came into force in 200 districts	Included 130 more districts	The scheme was universalized across India	Transaction of wage through bank/post office	NREGA was renamed as MGNREGA

Source: www.nrega.nic.in

LITERATURE REVIEW

Vanaik and Siddhartha (2008) have evaluated the mode of payment in Orissa. The payment of wages carried out under MGNREGA through bank accounts. The survey was carried out in October 2007, which is covered 4 randomly selected gram panchayats of 3 blocks in Mayurbhanj district (Orissa). They found the evidence of “Contractor Raj” was evolved in some areas.. Many labourers were happy by the wage payment through bank account because it ensured them that they were receiving the right amount. But there were some problems regarding the mode of wage payments through banks. In Anle village the labourers claimed that the bank was far away from their living place and it was very inconvenient for them to use it. The labourers were not familiar with the bank procedure. Furthermore the money reached to accounts of labourers 3-4 months late after the. Andhra Pradesh guided the system of wage payment through bank in Orissa, where it was working efficiently. The study concluded with suggesting the better implementation some qualitative improvement were needed such as advanced payment to the labourers and trained them about the bank procedure.

Banerjee and Saha (2010) stated that performance of MGNREGA in Chattishgarh is better than Jharkhand and Odissa in terms of person days employment. After the implementation of MGNREGA, the farmers used chemical, fertilizers and HYV which is increase the cost of cultivation. The crop yield increased 50-55 percent in Chattishgarh, 90-100 percent in Jharkhand and it also reduced the vulnerability of small and marginal farmers and seasonal migration. They found that household income range 23-160 percent during 2008-09 in Chattishgarh, 60-70 percent in Jharkhand and 30-39 percent in case of Orissa.

Bebarta Prabeena Kumar (2013), the study stated the implementation of MGNREGA and its various impact in the lives of tribal people in the district of Gajapati. She

tried to focus about the level of awareness related to the different provisions of MGNREGA and its Impact socio economic condition, livelihood security, sustainable asset creation, agriculture productivity, Migration and rural employment. It was understood that the tribal households in the Gajapati district have been benefitted from MGNREGA in many ways as it has increased their income resulting multiple in their social and economic life.

Deka Traloikya et al. (2015) they emphasize on the impact of MGNREGA on the development of employment and social capital formation in Assam. It has been observed that there exists a positive impact on the two variables which is employment generation and social capital formation. It has been also been seen that it is a game changer in the field of economic and rural development of the country.

Gupta SK et al. (2015), In their study, they tried to examine the impact and durability of asset created under MGNREGA in district of Rajouri of Jammu & Kashmir . They found from the study that in the study area the highest 387 works of rural connectivity has done among the othe activities under MGNREGA. But in the other activities has not done so well. Traditinal water bodies have done in the year from 2011-12 to 2013-14.They also discussed about the issues of creating durable assets under MGNREGA such as high rates material, lack of monitoring, lack of skilled labour and topological problem etc.

Das Dipandita (2017), In her research, she focused to study the impact of MGNREGA on the rural life, benefits the rural areas were achieving through the scheme, problem associated with implementation of the scheme in Assam. It has been observed from her study that the person days generated highest i.e 486.33 lakhs during 2015-16 and later it decreased to 161.11 lakhs during 2017-18. In this ay average person days also gradually declined during this period. She found from her study that as per the recent budget it has been cited that largest

amount of funds has been allocated in the scheme but the utilization of those funds it showed clear picture that was not fully utilizes. She found some issues regarding to implementation of the scheme such as delayed wage payment, beneficiaries are not aware of how to derive maximum gain through MGNREGA etc.

OBJECTIVES OF THE STUDY

- To evaluate the performance of MGNREGA in the Mech Kachari living areas.
- To study the awareness about MGNREGA in the Mech Kachari living areas.

METHODOLOGY

The present study is based on both primary and secondary data. Dibrugarh district has been selected purposively as the sample district as it has the highest Mech Kachari population among all the districts of Assam. It has been selected 2 blocks from the sample districts on the basis of highest populated Mech Kachari populated blocks of Dibrugarh district. In this way 4 GPs have been selected purposively from the two blocks and lastly 8 villages have been selected randomly as the sample villages. Keeping in mind the objectives of the study 100 beneficiaries have been selected from all the eight villages. The survey was based on well designed interview schedule. The primary data are collected through a multi-stage sampling technique. The secondary data have been collected through journals, books, websites etc.

ANALYSIS AND INTERPRETATION

The performance is evaluated in terms of employment generation, income generation through the MGNREGA jobs

“The single most important and distinguishing feature of MGNREGA is making the provision of work on demand by wage-seekers as to be their legal right. Under this demand driven public wage employment programme, works are opened and jobs offered whenever there is a demand for work” (Anonymous, 2013). A worker should have a job card to do work under MGNREGA and he/she can apply by written or orally in Gaon Panchayat office. The Scheme guaranteed to provide 100 days of employment. The performance is evaluated in terms of employment generation, income generation through the MGNREGA jobs.

Table 2 Total person days of employment generated under MGNREGA in Assam during 2013-17 (In lakhs)

Years	Total person days
2013-14	298.47
2014-15	216.95
2015-16	486.33
2016-17	467.15
Total	1468.9
CAGR	16.10

Source: www.mgnrega.nic.in

In the above table 4.3 shows that total person days generated is the highest i.e 486.33 laks in Assam in the FY 2015-16 and it declined to 467.15 lakhs in the FY 2016-17. The table also depicts that the total person days is the lowest 216.95 lakhs in the FY 2014-15. The table also shows that the Compound Annual Growth Rate has increased by 16.10 percent over the period.

Table 3 Total person days of employment generated under MGNREGA and average person days of employment in the sample population from 2013-14 to 2016-17

Years	Total person days	Percentage of total person days	No. of average person days(approx)
2013-14	1213	27.18	12
2014-15	1274	28.55	13
2015-16	1023	22.93	10
2016-17	952	21.34	10
Total	4462	100	
CAGR	-7.76	-7.76	-7.76

Source: primary survey

The table 3 shows total person days generated in the study area among the sample beneficiaries. It is found that in the FY 2014-15 the person days generated is the highest i.e. 1274 days in the study area during the study period from 2013-14 to 2016-17. Then it was continuously declined. The Compound Annual Growth Rate- has also declined by 7.76 percent during the study period. Similarly, it is found that average person days of employment in the study area is the highest in the year 2014-15 which is 12 days and it continuously declined to 10 days in the year 2016-17. The Compound Annual Growth Rate has also declined by 7.76 percent.

After completion of the job the beneficiaries get their wages through bank or post office. It has a minimum wage rate which differs in every state of India. In Assam, the notified minimum wage rate is Rs. 182.94 in the year 2017-18. According to the provision the scheme should

provide wages within fortnight or a week. The following table 4.8 shows total income generated from MGNREGA in Assam and Table 4 reveals total income generated and average income generated in the sample population in the study area from 2013-14 to 2016-17.

Table 4 Total income generated from MGNREGA in the sample population from 2013-14 to 2016-17

Years	Total person days	Wage rate	Total income earned (In Rs.)	Average income earned (in Rs.)
2013-14	1213	152	184376	1843.76
2014-15	1274	167	212758	2127.58
2015-16	1023	179	183117	1831.17
2016-17	952	182	173264	1732.64
Total	4462		753515	
CAGR	-7.76		-2.05	

Source: Primary survey

It is found from table 4 that Compound Annual Growth Rate(CAGR) of total person days has declined by 7.76 percent .Total income earned in the study area is the highest in the year 2014-15 which is Rs. 212758 and it continuously declined to Rs. 173264 in the year 2016-17 and the CAGR has declined by 2.05 percent. The table also shows that the average income earned per year per household is the highest in the year 2014-15 which is Rs. 2127.58 and it declined to Rs. 1732.64 in the year 2016-17 respectively.

Table 5: Awareness about MGNREGA

	Aware	Unaware
Distance of workplace	6(6%)	94(94%)
Notified minimum wage	27(27%)	73(73%)
No. of entitled days in a year	85(85%)	15(15%)
Unemployment allowance	0(0%)	100(100%)
Social audit	22(22%)	78(78%)
Facilities in workplace	69(69%)	31(31%)

Source: Primary survey

It is found from the above table 5 that the sample beneficiaries were not aware of some provisions of the scheme. According to MGNREGA guideline distance of workplace should be within 5 km radius from the home place. If work is provided beyond 5 km, travel allowance is provided. But it was found that 94 percent beneficiaries unaware about this provision. The table also depicts that majority 73 percent of beneficiaries were not aware of notified minimum wage whereas only 27 percent beneficiaries aware about the notified minimum wage. Likewise 85 percent beneficiaries are aware about the number of entitled days in a year. Moreover, all the

beneficiaries are not aware of unemployment allowance. Furthermore only 22 percent and 69 percent beneficiaries aware about the provisions for social audit and worksite facilities.

CONCLUSION

MGNREGA is a step taken by the Government of India to raise the standard of living in rural area by providing 100 days wage employment to the rural unskilled workers. While evaluating the MGNREGA in a tribal area i.e. the Mech Kachari living area, the present study finds that the average person days of employment generated per household is only 12. Majority of the beneficiaries are not aware about the provision of the scheme. All these appear to suggest that the implementation of the MGNREGA in the Mech Kachari living area is not consistent with the norms laid down in the Act. Furthermore, the performance of the Act in the study area is not satisfactory when compared to the state and national levels as the level of employment and income generation in the study area is much lower. Thus it can be said that the implementation and achievements of MGNREGA in tribal living areas are not satisfactory. Therefore, appropriate strategy and action should be taken to implement the MGNREGA so that it can realize the stated objectives of the Act in rural area, more especially in tribal living areas.

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