MGNREGA and annual work limit

Part of: GS-III- Economy (PT-MAINS-PERSONALITY TEST)

About MGNREGA

The Mahatma Gandhi National Rural Employment Guarantee Act, earlier known as the National Rural Employment Guarantee Act was passed on 7th September 2005 to augment employment generation and social security in India. It covers all districts of India except the ones with 100% urban population.

Key objectives:

1. Generation of paid rural employment of not less than 100 days for each worker who volunteers for unskilled labour.
2. Proactively ensuring social inclusion by strengthening livelihood base of rural poor.
3. Creation of durable assets in rural areas such as wells, ponds, roads and canals.
4. Reduce urban migration from rural areas.
5. Create rural infrastructure by using untapped rural labour.

The following are the eligibility criteria for receiving the benefits under MGNREGA scheme:

1. Must be Citizen of India to seek NREGA benefits.
2. Job seeker has completed 18 years of age at the time of application.
3. The applicant must be part of a local household (i.e. application must be made with local Gram Panchayat).
4. Applicant must volunteer for unskilled labour.

Key facts related to the scheme:

1. The Ministry of Rural Development (MRD), Govt of India is monitoring the entire implementation of this scheme in association with state governments.
2. Individual beneficiary oriented works can be taken up on the cards of Scheduled Castes and Scheduled Tribes, small or marginal farmers or beneficiaries of land reforms or beneficiaries under the Indira Awaas Yojana of the Government of India.
3. Within 15 days of submitting the application or from the day work is demanded, wage employment will be provided to the applicant.
4. Right to get unemployment allowance in case employment is not provided within fifteen days of submitting the application or from the date when work is sought.
5. Social Audit of MGNREGA works is mandatory, which lends to accountability and transparency.
6. The Gram Sabha is the principal forum for wage seekers to raise their voices and make demands.
7. It is the Gram Sabha and the Gram Panchayat which approves the shelf of works under MGNREGA and fix their priority.

**Role of Gram Sabha:**

1. It determines the order of priority of works in the meetings of the Gram Sabha keeping in view potential of the local area, its needs, local resources.
2. Monitor the execution of works within the GP.

**Roles of Gram Panchayat:**

1. Receiving applications for registration
2. Verifying registration applications
3. Registering households
4. Issuing Job Cards (JCs)
5. Receiving applications for work
6. Issuing dated receipts for these applications for work
7. Allotting work within fifteen days of submitting the application or from the date when work is sought in the case of an advance application.
8. Identification and planning of works, developing shelf of projects including determination of the order of their priority.

**Responsibilities of State Government in MGNREGA:**

1. Frame Rules on matters pertaining to State responsibilities under Section 32 of the Act ii) Develop and notify the Rural Employment Guarantee Scheme for the State.
2. Set up the State Employment Guarantee Council (SEGC).
3. Set up a State level MGNREGA implementation agency/mission with adequate number of high calibre professionals.
4. Set up a State level MGNREGA social audit agency/directorate with adequate number of people with knowledge on MGNREGA processes and demonstrated commitment to social audit.
5. Establish and operate a State Employment Guarantee Fund (SEGF).

**In NEWS:**

According to the central scheme database of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA), at least 1.4 lakh poor rural households have completed their quota of 100 days of work for the first three months of the year. Therefore, they will not be eligible for further benefits under the rural employment guarantee scheme for the rest of the year.

**Related Data:**

- Overall, 23 lakh households have already completed 60 days of work.
Another seven lakh households have completed 80 days and are on the verge of running out of work. With almost 60,000 households which have completed 100 days of work, Chhattisgarh has the highest rate among States, followed by Andhra Pradesh with almost 24,500 households in this category. However, Andhra Pradesh maintains its own database showing that 8.6% of all beneficiary households in the State have already completed 100 days of work.

Related Issues:

- **Impact of Covid-19 pandemic:** Due to Covid-19, the nationwide lockdown has resulted in thousands of unemployed migrant workers returning to their villages and now dependent on MGNREGA wages.
- **Increase in Demand for Work:** The demand for MGNREGA work almost doubled in June as there is no other work available for many people.
- **Construction sector:** which usually absorbs a large number of workers, has also collapsed.
- **Monsoon Season:** In many areas, monsoon is the hungry season and many people are desperate for work and dependent on MGNREGA wages. It is also expected that in December the situation would be worse especially for women, elderly and disabled and tribals when agriculture work is over and there will be no work from MGNREGA.

Solutions:

- **Expansion of the Scheme:** The MGNREGA scheme contains a provision for an expansion of the scheme to allow for 150 days of work per household for districts affected by drought or other natural disaster. Given that Covid-19 was declared a national disaster, this provision may be implemented immediately across the country.
- **Change in limit:** The limit should be imposed per adult individual rather than per household.
- **Increase in Wage:** There is a demand for an increase to 200 days per individual at a daily wage rate of ?600. The current wage rate of Rs. 200 per day does not even match up to minimum wage rates in most States.
- **Farming:** Getting employment from the Agriculture and farms is an option which can be provided to the migrants. Eg. Migrants workers being deployed in the Litchi farms of Bihar.

**Government Initiatives:** It was announced in March that the workers under the MGNREGA would get a hike of Rs. 2000 each on an average. Garib Kalyan Rojgar Abhiyan was started to provide employment to migrant labourers who returned home during the lockdown. The scheme covers six states — Bihar, Uttar
Pradesh, Madhya Pradesh, Rajasthan, Jharkhand and Odisha. It has as a provision to grant 125 days of employment to migrants.

Conclusion

Gram panchayats need to be provided with adequate resources, powers, and responsibilities to sanction works, provide work on demand, and authorise wage payments to tackle the crisis of the migrant workers. MGNREGA has come to the nation’s aid in combating growing poverty. Even programmes like Swacchh Bharat and Pradhan Mantri Awas Yojana are being merged to leverage its utility, reach and value.

Therefore, it needs an urgent extension for those who have already completed the work limits. Initiatives must be taken to impart skills in the workers so that they can take alternative livelihoods during such situations.