



A FLUCTUATING THE EXPANSION OF RURAL EMPLOYMENT - ROLE OF MGNREGA

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Abstract

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is India's rural employment guarantee programme that provides 100 days of work to each household and mandates payment of wages within 15 days of completion of work. Ever since the scheme was implemented, the number of jobs has increased by 240% in the past 10 years. The scheme has been successful in enhancing economic empowerment in rural India and helping overcome the exploitation of labour. The scheme has also diminished wage volatility and the gender pay gap in labour. This can be substantiated by the following data available at the official site of MGNREGA. The state of Tamil Nadu (11.86) occupied first place in percentage of households benefited under MGNREGS in India. Individual category works are more in the state of Maharashtra 28,46,809 (13.28%) followed by Karnataka 22,07,802 (10.30%), Jharkhand 19,95,576 (9.31%), Uttar Pradesh 17,21,802 (8.03%) and Odisha 13,97,191 (6.52%) are top five states in this category.

Keywords: Employment, Poverty, MGNREGA, Beneficiaries, Rural, Livelihood Security, Households

Introduction

The official statistics reflects that MGNREGA has been quite successful and well implemented scheme that has been operating but in reality, there has been no significant impact on the problems of employment of rural women. Though it has a positive impact on the participation and earnings of the women beneficiaries, but if we compare the states, we find a wide variation. Thus, from the above analysis it can be concluded that the performance of MGNREGA is not full satisfactory. The scheme could not ensure the 100 days job guarantee to the majority of the women job card holders. The problem however, does not lie in the Act, but in its defective implementation and lack of proper monitoring.

The experience of countries that succeeded in reducing poverty significantly indicates the importance of high rates of economic growth in achieving this. High growth, however, is not a sufficient condition for poverty reduction; the pattern and sources of growth as well as the manner in which its benefits are distributed are equally important from the point of view of achieving the goal of poverty reduction. And employment plays a key role in that context. Indeed, countries which attained high rates of employment

growth alongside high rates of economic growth are also the ones who succeeded in reducing poverty significantly. Every section of the Indian economy is now linked with the world outside, either through its direct involvement in international trade or through its indirect linkages with the export or import transactions of other sectors of the economy.

The MGNREGA guarantees payment of the legal minimum daily wage and is specifically geared towards unskilled labourers working in water conservation, drought proofing, irrigation, repair (for example, de-silting), land development, flood control and road works. During employment, workers are entitled to drinking water, access to shade, medical kits and childcare. If workers are unable to obtain employment through the scheme, they are entitled to unemployment benefit. The act also specifies that records of funds received and projects carried out through the MGNREGA are publicly available at district level and can also be obtained through Right to Information legislation. Following implementation during 2006–7, the average number of days worked per household was 17. This covered a very significant range across different states, however: from 77 days in Rajasthan to 3 days in Kerala. In the initial stages of the MGNREGA schemes, concerns were raised about the take-up rate and problems of corruption. By organizing workers, trade unions have managed to achieve much greater adherence to the payment of the minimum wage and to get more workers participating in the scheme. For example, members of the IUF-affiliated Andhra Pradesh Vyavasaya Vruthidarula Union (APVVU) in the south of India were able to achieve three times as many work-days than the state average. In addition, while in 2006–7 40 per cent of workers in the scheme at a national level were women, in those schemes where APVVU members participated, women's participation reached 52 per cent. While the average wages earned by agricultural workers before the introduction of MGNREGA in Andhra Pradesh ranged from Rs. 30 to a maximum of Rs. 60 per day, after the introduction of MGNREGA, the average wages earned have been between Rs. 81 and Rs. 93 per day.

The potential benefits of the MGNREGA are significant: its employment guarantee goes some way towards securing livelihoods for the most marginalized section of the workforce and contributes to a reduction in extreme levels of hunger and poverty; it can help to sustain livelihoods in the countryside and thus to reduce urbanization; it can deliver greater employment opportunities to women; it can develop necessary basic infrastructure in rural areas, including education, health and environmental sustainability; it can deliver social justice in areas of significant inequality.

The Ministry had set up a Committee under the Chairmanship of Additional Secretary with representatives of relevant Central Ministries and five State Governments to examine the issue of Alignment of MGNREGA Wages with Minimum Agricultural Wages. The MGNREGA Wages were notified under Section 6.1 of the MGNREGA Act on 1st December, 2009. For the States where minimum wages were higher than Rs.100/-, those wages were taken as MGNREGA wages. For States where minimum agricultural wages were less than Rs.100/- MGNREGA wages were notified as Rs.100/-. On 1st December, 2009 only for 4 States, viz. Goa, Haryana, Mizoram and Kerala had minimum wages for agricultural labour was higher than Rs.100/- and these were protected by December, 2009 Notification. Since then, MGNREGA wages have been indexed to Consumer Price Index for Agricultural Labour. The present divergence between MGNREGA wages and minimum wages for agricultural labour is on account of the fact that the States do not follow a scientific and uniform system of indexation of wage rates while MGNREGA wages are increased based on changes in Consumer Price Index for Agricultural Labours.

Review of Literature

Suresh Kumar J and D. Shobana (2024) in their paper opined that the evaluation of Indian Social Security Programs and Initiatives reveals a complex landscape marked by notable successes and persistent challenges. The critical role played by programs such as Pradhan Mantri Jan Dhan Yojana and Atal Pension Yojana in fostering financial inclusion and retirement security.

Neena Malhotra and Navdeep Kour (2023) study presented at the all-India level based on the women participation rate under MGNREGA. Kerala (92.85%), Tamil Nadu (74.02%) and Rajasthan (69.17%) show highest percentage while the lowest participation in Jammu Kashmir (17.72%) and Uttar Pradesh (17.13%) in 2011-12. In Kerala, the women participation rate increased from 65.62 per cent in 2006-07 to 92.85 per cent in 2011-12. But in Tamil Nadu's, this participation rate decreased from 81.11 per cent to 74.02 per cent. The highest participation rate of SC in Punjab (77.44 %) and Haryana (49.68 %) but Assam (5.55%), less than one per cent in Manipur (0.6%), Meghalaya (0.65%) no single digit was reported in Arunachal Pradesh in MGNREGA in 2011-12.

Ram Narain Meena (2022) said that the lowest size of land holding, the total participation in MGNREGS work SC has participated 249 days (60%) and general 168 days (50%). In case of all land holding class the SC group has participated majorly in MGNREGS work and their participation rate is more than 80 from 2 Bigha and above. In case of lowest land holding class among 310 working days of different social groups are for ST 164 days (53%) for SC 58 days (19%); for OBC 60 days (19%) and for general 28 days (9%) for land holding status 0-2 Bigha. The case of Patan village the lowest per-capita income of the SC group participate 100% in MGNREGS. The female participation is higher than the male participation in both villages.

Srinivas & Pandyaraj (2017) attempted to capture the extent to which employment was generated and durable assets were created during the last ten years of implementation of MGNREGS in the state of Andhra Pradesh . The study found that the performance of Andhra Pradesh in terms of

State/UT wise MGNREGS Workers

Active workers are those who have worked for at least one day over the last three financial years, these details are presented in Table 1. Based on the data Mizoram (89.49%) takes first place in percentage of active workers in total workers next in order to Tripura (85.83), Tamil Nadu (83.74), Chhattisgarh (80.23) and Andhra Pradesh

providing employment and generating person days to rural households particularly women, SC and ST was significant but they were able to provide 100 days of employment to only 5.5 per cent of the participatory households. Further, the state Govt. had created substantial number of assets during this one decade of implementation in different categories. However, it was observed that the rate of completion of works was dismal.

Dey (2016) in his study found that in West Bengal the benefits of MGNREGA in terms of employment availability to the households could not be realised due to low employment generation. The study found that the State's performance in providing 100 days of employment to the households was not satisfactory. In the case of asset generation the excessive work load on Panchayats led to generation of low value assets. The experiences highlight that due to work burden and low participation of people in forum for discussions, the implementing agencies including the gram panchayats preferred to include traditional and easy to execute projects according to their own preference.

Rajalakshmi, S. (2014) A study was carried out to examine the socio-economic background of the beneficiaries, their awareness of the scheme, and the process for obtaining work. Data was gathered using a structured questionnaire. The findings indicated that a significant proportion of the beneficiaries of the MGNREGA were women. Furthermore, most individuals demonstrated awareness of the scheme and typically brought their own tools for work. This initiative provides employment opportunities for unskilled manual labor. Beneficiaries can conveniently access and obtain their job cards by using their ration cards as identification.

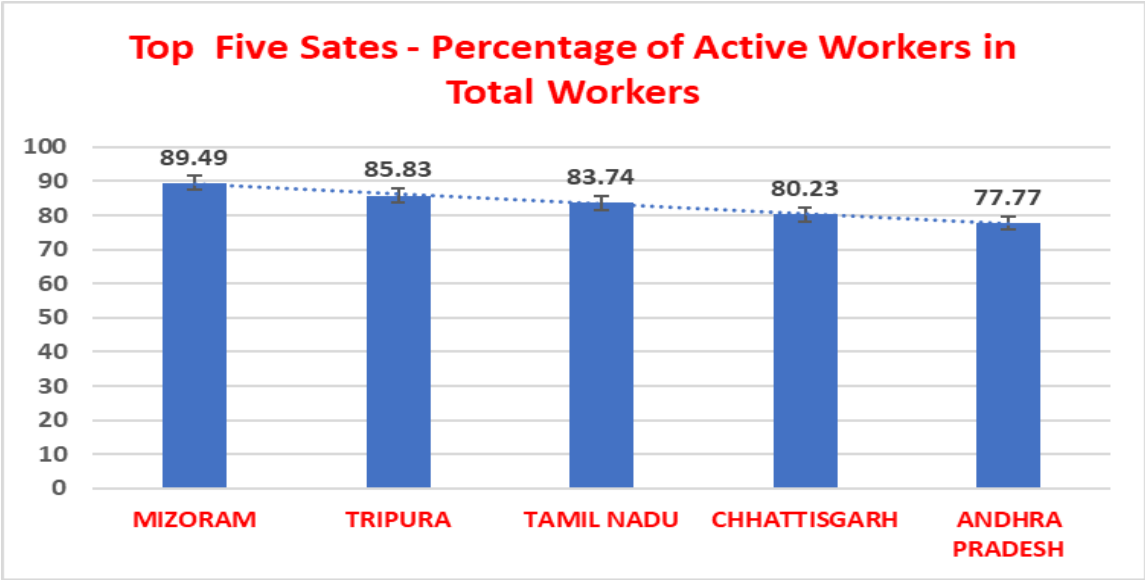
(77.77) these states are top five states under the category.

Table-1

State/UT wise MGNREGS Active Workers: 2024-25

S. No.	State/UT	Total Workers		Active Workers		% of Active Workers in Total Workers
		No.	%	No.	%	
1	ANDAMAN AND NICOBAR	57,233	0.02	11,255	0.01	19.67
2	ANDHRA PRADESH	1,24,28,618	4.74	96,65,889	7.18	77.77
3	ARUNACHAL PRADESH	4,69,846	0.18	3,50,283	0.26	74.55
4	ASSAM	1,05,37,807	4.02	53,68,388	3.99	50.94
5	BIHAR	1,95,88,417	7.47	95,04,616	7.06	48.52
6	CHHATTISGARH	78,34,709	2.99	62,85,867	4.67	80.23
7	DN HAVELI AND DD	40,977	0.02	10,825	0.01	26.42
8	GOA	51,252	0.02	7,250	0.01	14.15
9	GUJARAT	94,87,347	3.62	26,27,945	1.95	27.7
10	HARYANA	23,80,794	0.91	9,00,236	0.67	37.81
11	HIMACHAL PRADESH	28,49,480	1.09	14,40,458	1.07	50.55
12	JAMMU AND KASHMIR	23,76,365	0.91	15,63,994	1.16	65.81
13	JHARKHAND	1,02,48,338	3.91	39,79,366	2.96	38.83
14	KARNATAKA	1,83,22,549	6.99	82,51,893	6.13	45.04
15	KERALA	58,48,331	2.23	24,87,605	1.85	42.54
16	LADAKH	50,360	0.02	38,966	0.03	77.37
17	LAKSHADWEEP	16,689	0.01	188	0.00	1.13
18	MADHYA PRADESH	1,78,91,550	6.83	1,00,75,789	7.49	56.32
19	MAHARASHTRA	2,98,26,162	11.38	77,30,636	5.74	25.92
20	MANIPUR	9,09,554	0.35	6,95,272	0.52	76.44
21	MEGHALAYA	12,16,207	0.46	8,65,831	0.64	71.19
22	MIZORAM	2,44,952	0.09	2,19,214	0.16	89.49
23	NAGALAND	7,82,826	0.30	5,95,291	0.44	76.04
24	ODISHA	1,02,28,975	3.90	68,90,673	5.12	67.36
25	PUDUCHERRY	1,15,159	0.04	69,502	0.05	60.35
26	PUNJAB	28,61,913	1.09	15,47,150	1.15	54.06
27	RAJASTHAN	2,29,60,545	8.76	1,24,05,953	9.22	54.03
28	SIKKIM	1,37,391	0.05	94,355	0.07	68.68
29	TAMIL NADU	1,09,45,890	4.18	91,66,109	6.81	83.74
30	TELANGANA	1,10,71,127	4.22	58,58,483	4.35	52.92
31	TRIPURA	12,13,495	0.46	10,41,565	0.77	85.83
32	UTTAR PRADESH	2,17,71,182	8.31	1,33,50,391	9.92	61.32
33	UTTARAKHAND	16,22,738	0.62	10,42,279	0.77	64.23
34	WEST BENGAL	2,56,99,091	9.81	1,04,36,860	7.76	40.61
	Total	26,20,87,869	100.00	13,45,80,377	100.00	51.35

Source: <https://nrega.nic.in/MGNREGA> Website



State/UT wise MGNREGS Households Benefitted

Here are some state-wise numbers of households benefitted by the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA), these details are presented in Table-2.

Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) is a demand driven wage employment programme which provide for the enhancement of livelihood security of the households in rural areas of the country

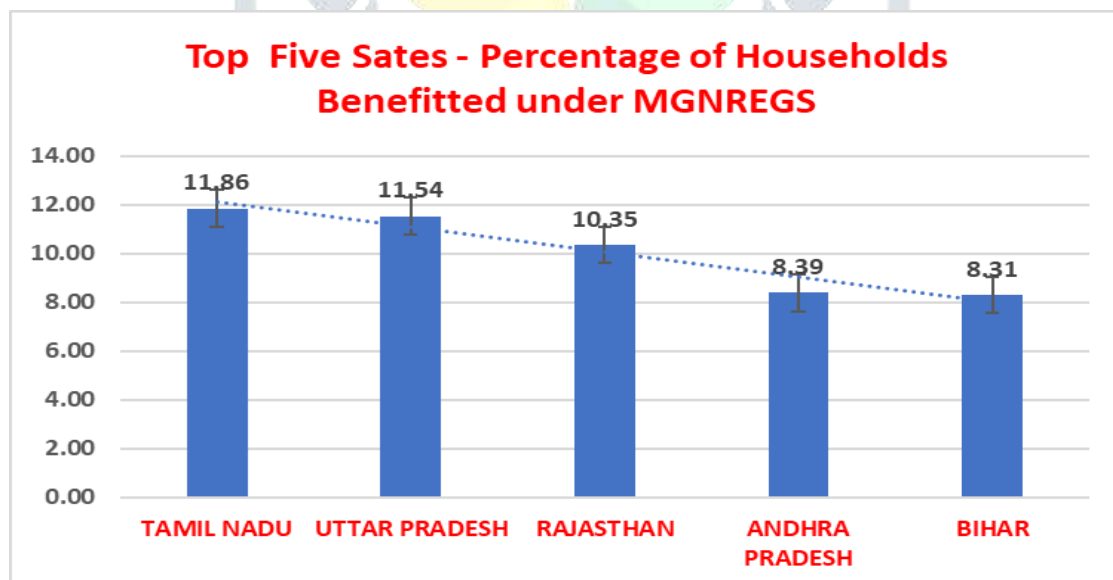
by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. The data clearly shows that Tamil nadu (11.86) occupied first place in percentage of households benefitted under MGNREGS, followed by Uttar Pradesh (11.54), Rajasthan (10.35), Andhra Pradesh (8.39) and Bihar (8.31) were top five states. Under percentage of person days generated, Uttar Pradesh (12.23) takes first place next in order to Tamil Nadu (10.94), Rajasthan (10.92), Andhra Pradesh (8.57) and Bihar (8.38) were top five states.

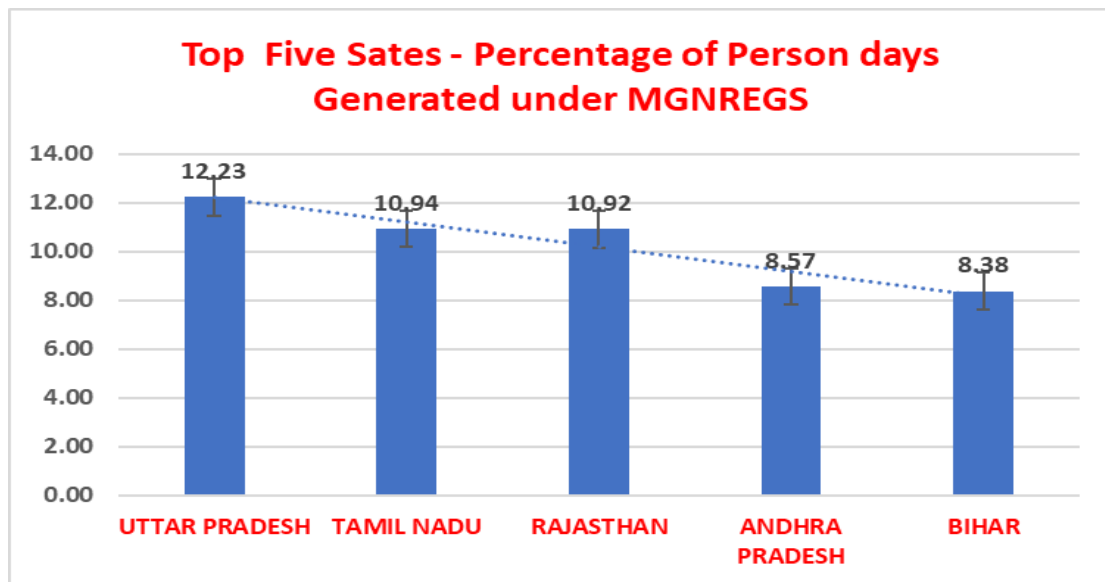
Table-2
State/UT wise MGNREGS Households Benefitted and Person days generated: 2024-25

S.No.	State/UT	Households Benefitted		Person days generated	
		No.	%	No.	%
1	ANDAMAN AND NICOBAR	2,651	0.00	67,091	0.00
2	ANDHRA PRADESH	45,52,316	8.39	21,29,77,339	8.57
3	ARUNACHAL PRADESH	2,83,170	0.52	1,59,35,472	0.64
4	ASSAM	17,53,722	3.23	6,09,42,215	2.45
5	BIHAR	45,11,093	8.31	20,82,45,984	8.38
6	CHHATTISGARH	24,58,229	4.53	11,45,04,169	4.61
7	DN HAVELI AND DD	4,275	0.01	2,23,215	0.01
8	GOA	2,681	0.00	59,903	0.00
9	GUJARAT	8,35,565	1.54	3,79,77,363	1.53
10	HARYANA	3,23,893	0.60	98,27,008	0.40
11	HIMACHAL PRADESH	6,74,837	1.24	3,42,92,439	1.38
12	JAMMU AND KASHMIR	6,35,513	1.17	3,14,21,971	1.26
13	JHARKHAND	18,28,182	3.37	8,41,49,391	3.39

14	KARNATAKA	27,01,522	4.98	11,21,91,852	4.51
15	KERALA	13,29,211	2.45	7,72,27,017	3.11
16	LADAKH	32,663	0.06	21,35,633	0.09
17	LAKSHADWEEP	0	0.00	0	0.00
18	MADHYA PRADESH	35,42,425	6.53	15,89,87,535	6.40
19	MAHARASHTRA	26,56,437	4.89	12,76,96,398	5.14
20	MANIPUR	4,97,709	0.92	1,83,53,835	0.74
21	MEGHALAYA	4,25,742	0.78	2,16,63,380	0.87
22	MIZORAM	2,07,592	0.38	1,74,77,167	0.70
23	NAGALAND	1,89,150	0.35	65,42,837	0.26
24	ODISHA	20,61,369	3.80	9,65,99,389	3.89
25	PUDUCHERRY	46,071	0.08	9,65,114	0.04
26	PUNJAB	7,84,561	1.45	2,71,68,867	1.09
27	RAJASTHAN	56,18,839	10.35	27,14,72,828	10.92
28	SIKKIM	57,181	0.11	28,50,102	0.11
29	TAMIL NADU	64,36,356	11.86	27,19,35,166	10.94
30	TELANGANA	25,63,795	4.72	10,73,91,832	4.32
31	TRIPURA	5,86,095	1.08	3,33,47,137	1.34
32	UTTAR PRADESH	62,63,704	11.54	30,39,50,639	12.23
33	UTTARAKHAND	4,05,004	0.75	1,65,53,595	0.67
34	WEST BENGAL	0	0.00	0	0.00
	Total	5,42,71,553	100.00	2,48,51,33,883	100.00

Source: <https://nrega.nic.in/MGNREGA Website>





State/UT wise MGNREGS Individual category works and Assets Created

Table 3 indicates that State/UT wise MGNREGS Individual category works, Assets Created and DBT Transactions: 2024-25 in India. Individual category works are more in the state of Maharashtra 28,46,809 (13.28%) followed by Karnataka 22,07,802 (10.30%), Jharkhand 19,95,576 (9.31%), Uttar Pradesh 17,21,802 (8.03%) and Odisha 13,97,191 (6.52%) are top five states in this category. While in Assets

Created Uttar Pradesh (13.22%) takes first place next in order to Andhra Pradesh (9.49%), West Bengal (9.28%), Madhya Pradesh (9.12%) and Karnataka (7.71%) are occupying top five places. The state of Tamil Nadu 58452677 (14.85%) got first place under MGNREGS DBT Transactions followed by Andhra Pradesh 45524720 (11.56%), Uttar Pradesh 30482654 (7.74%), Rajasthan 27323585 (6.94%) and Madhya Pradesh 27073099 (6.88%) are higher DBT Transactions states.

Table-3
State/UT wise MGNREGS Individual category works, Assets Created and DBT Transactions: 2024-25

S. No.	State/UT	Individual category works		Assets Created		DBT Transactions (Numbers)	
		No.	%	No.	%	No.	%
1	ANDAMAN AND NICOBAR	818	0.00	4,496	0.01	16,464	0.00
2	ANDHRA PRADESH	12,06,019	5.62	84,37,230	9.49	4,55,24,720	11.56
3	ARUNACHAL PRADESH	854	0.00	35,788	0.04	12,94,162	0.33
4	ASSAM	10,87,942	5.07	22,92,920	2.58	86,16,707	2.19
5	BIHAR	12,00,695	5.60	57,61,424	6.48	1,77,73,831	4.51
6	CHHATTISGARH	11,96,902	5.58	33,17,109	3.73	2,11,88,708	5.38
7	DN HAVELI AND DD	5,684	0.03	1,152	0.00	37,084	0.01
8	GOA	413	0.00	3,061	0.00	10,505	0.00
9	GUJARAT	7,40,491	3.45	19,13,177	2.15	41,71,858	1.06
10	HARYANA	29,184	0.14	2,22,219	0.25	14,28,139	0.36
11	HIMACHAL PRADESH	3,77,309	1.76	10,88,480	1.22	57,16,253	1.45

12	JAMMU AND KASHMIR	2,65,607	1.24	13,05,322	1.47	40,16,121	1.02
13	JHARKHAND	19,95,576	9.31	44,63,355	5.02	2,46,95,437	6.27
14	KARNATAKA	22,07,802	10.30	68,51,843	7.71	1,73,60,003	4.41
15	KERALA	5,37,788	2.51	28,26,596	3.18	1,71,37,924	4.35
16	LADAKH	9,404	0.04	47,829	0.05	2,21,085	0.06
17	LAKSHADWEEP	8	0.00	70	0.00	0	0.00
18	MADHYA PRADESH	11,36,407	5.30	81,03,665	9.12	2,70,73,099	6.88
19	MAHARASHTRA	28,46,809	13.28	32,21,470	3.62	2,13,20,110	5.42
20	MANIPUR	60,176	0.28	1,08,573	0.12	38,43,832	0.98
21	MEGHALAYA	93,509	0.44	3,16,424	0.36	23,17,578	0.59
22	MIZORAM	31,307	0.15	2,12,202	0.24	20,66,844	0.52
23	NAGALAND	25,480	0.12	94,799	0.11	6,05,243	0.15
24	ODISHA	13,97,191	6.52	44,21,457	4.97	1,77,87,825	4.52
25	PUDUCHERRY	19	0.00	8,334	0.01	2,68,173	0.07
26	PUNJAB	69,206	0.32	4,21,271	0.47	48,22,078	1.22
27	RAJASTHAN	8,77,627	4.09	37,61,952	4.23	2,73,23,585	6.94
28	SIKKIM	15,854	0.07	71,780	0.08	2,68,451	0.07
29	TAMIL NADU	5,36,267	2.50	50,42,425	5.67	5,84,52,677	14.85
30	TELANGANA	2,70,985	1.26	20,56,645	2.31	2,20,66,380	5.60
31	TRIPURA	2,35,995	1.10	15,87,190	1.79	40,99,424	1.04
32	UTTAR PRADESH	17,21,802	8.03	1,17,47,778	13.22	3,04,82,654	7.74
33	UTTARAKHAND	1,24,100	0.58	8,87,298	1.00	16,99,158	0.43
34	WEST BENGAL	11,38,719	5.31	82,50,682	9.28	0	0.00
	Total	2,14,43,949	100.00	8,88,86,016	100.00	39,37,06,112	100.00

Source: <https://nrega.nic.in/MGNREGA> Website

Conclusion

Study also examine official government circulars, documents retrieved using Right to Information responses combined with our immersive fieldwork to underscore our findings. In summary, we argue that any digital technology introduced in MGNREGA or any other social policy must be done through a consultative process, independent audits, giving centrality to workers' rights. Finally, the study has given a strong indication that beneficiaries in this region have a good perception about the scheme and they want it to be more beneficial and lucrative considering their demands regarding emerging livelihood challenges.

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