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MGNREGA AND ITS IMPACT ON RURAL ECONOMY

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ABSTRACT:

Mahatma Gandhi National Rural Employment Guarantee Act, (MGNREGA) brought several changes in the lives of the rural poor people in general and vulnerable sections of the rural population in particular by securing their livelihood. MGNREGA has objectives to enhance livelihood security to the rural poor providing at least one hundred days of wage employment to every household whose adult members are ready to unskilled manual work. MGNREGA not only provide wage employment as an alternative source of livelihood but also create durable assets such as road constructions, land development, water conservation & irrigation facility, which has influence on different sectors of village economy the present study focus on MGNREGA its impact on rural economy.



KEYWORDS: *Development, Rural Economy, Employment and Poverty.*

INTRODUCTION:

India is the second largest population country in the world and the majority of the population is dwelling in rural areas. As per the estimates of the 2011 census, 742 Million population comprising 72.18 % lives in rural areas. So far several policies and initiatives have been placed through different plans for rural development. In this many of the programmes are introduced and implemented through the Ministry of Rural Development and other Departments. In this context, the Central Government of India has introduced Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP) to provide 100 days assured employment per household. The other important objective of this program is the creation of sustainable rural livelihood through the regeneration of the natural resource base. The Mahatma Gandhi National Rural Employment Guarantee Scheme is the largest employment programme in the world, earlier several programmes were being implemented to create employment and reduction of rural poverty through generating livelihood for rural development in this context it has intervened. The Mahatma Gandhi National Rural Employment Guarantee Scheme aim is to provide an alternative source of livelihood that will have an impact on reducing migration, restricting child labour alleviating poverty and making village self-sustaining through productive assets creation as such road construction, cleaning up traditional water tanks, soil and water conservation works. This study has to carry on the above-stated context, the researcher plans to use both Quantitative and qualitative data collected through the structured interview schedules, to explore the objectives of the study.

The present study has to examine the different facets of MGNREGS implementation and its consequences on various factors assess with socio-economic condition of beneficiaries and employment generation in addition to rural agriculture wage employment availability and it's impacting on

agriculture and as well as it has found impact on beneficiaries as before and after enrolling under the scheme. The previous study significantly found it has impacted the socio-economic conditions of the beneficiaries and it has extended the availability number of wage days after the intervention of the scheme. It has increased tangible rural assets which may help the rural agriculture and also it has found unseen factors are there in changing the farmer mind set in adopting the technology due to shorting labour availability this type of situation prevailing at most where, the minor and major irrigation projects are avail for agriculture has indirectly increased the rural agriculture wage rates. And also it has been noted that it has significantly changed their income before and after the enrolled under in MGNREG Scheme. Where about the irrigation projects are well for agriculture the employment generation in irrigated area is significantly higher than in the dry areas, the probability value is significant at 10 per cent level. It indicates that irrigation levels and employment generation has a weak association and it has been proved in this study.

OBJECTIVES OF THE STUDY

The Act's main goal is to improve livelihood stability in rural regions by ensuring that every family with adult member's volunteers to perform unskilled manual labour receives at least 100 days of guaranteed pay employment in a fiscal year. Other goals that may be achieved with this job guarantee include producing productive assets, conserving the environment, empowering rural women, minimizing rural-urban migration, and encouraging social equity, to name a few.

MGNREGA and ITS BACKGROUND

The Act's main goal is to improve livelihood stability in rural regions by ensuring that every family with adult member's volunteers to perform unskilled manual labour receives at least 100 days of guaranteed pay employment in a fiscal year. Other goals that may be achieved with this job guarantee include producing productive assets, conserving the environment, empowering rural women, minimizing rural-urban migration, and encouraging social equity, to name a few. The National Rural Employment Guarantee Act (NREGA) was enacted into law on August 25, 2005, and went into effect on September 1, 2005. It went into effect on February 2, 2006, and was phased in. It was Phase-I in Phase-I in Phase-I launched in 200 of the country's most impoverished areas. It had been in 2007-2008, A total of 130 districts participated in Phase II. 11 Ministry of Rural Development of the Indian government has a new website. Delhi Annual Report, April 2008-March 2009 NREGA, 2005, the National Rural Employment Guarantee Act, Delhi Annual Report, April 2008-March 2009 NREGA, 2005. The major objective of the NREGA was to have it implemented across the country in five years. However, in this case, in order to cover the entire nation, and in light of public demand, the Scheme was enlarged to include the remaining 285 rural districts of India. On April 1, 2008, Phase III commenced.

Legislation was enacted to increase the purchasing power of rural people, particularly via the provision of semi-skilled or unskilled labour to individuals living in rural India, whether or not they are poor. Women make up around one-third of the required workforce. Its secondary goal is to improve natural resource management by undertaking projects that address chronic poverty causes like as drought, deforestation, and soil erosion, and so promote long-term development. The process's outcomes include enhancing democracy's grass-roots procedures and infusing government with openness and accountability.

STATEMENT OF THE PROBLEM

India is one of the world's fastest-growing economies, yet its progress has benefited just a small portion of the population. The rapid growth seen in India in recent years has expanded inequities between rural and urban people, as well as between different types of households. The rural population, which is mostly reliant on agriculture and related occupations, is currently impoverished and destitute. Because agricultural work is seasonal, rural workers, particularly unskilled workers, are frequently unemployed or underemployed. Droughts and natural calamities force people to migrate from rural to urban areas, putting more strain on already scarce urban resources. Rural development is

critical for the economy's inclusive and long-term growth, and the employment guarantee plan is one strategy that fulfills this need. The National Rural Employment Guarantee Act, which was renamed the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2009, was introduced in 2005 to address these economic challenges. Every rural household is entitled to a minimum of 100 days of paid labour in a financial year at the statutory pay rate for casual employment in producing rural assets such as road construction, water body restoration, and land improvement, under the Act. It has an influence on the rural economy. In order to examine the impact of MGNREGA on the rural economy, a researcher has plan to carries out the study entitled on "MGNREGA and Its Impact on Rural Economy".

SIGNIFICANCES OF THE STUDY

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is one of the Government of India's main projects. The initiative attempts to combat rural poverty and unemployment by providing guaranteed wage employment to the needy in rural areas when other job options are rare or inadequate. Every family whose adult members volunteer to conduct unskilled manual labour will get at least 100 days of guaranteed wage employment in a financial year under the MGNREGA Act. It legitimizes the right to work/employment for all rural Indian households. Its secondary goal is to improve natural resource management by implementing initiatives that address chronic poverty causes including drought, deforestation, and soil erosion, so promoting sustainable development. Women must also participate at a rate of 33 percent under the Act. However, in order to strengthen the MGNREGA Act, it is necessary to investigate if it is boosting the economy or not. As a result, the researcher conducted this study, which will assist the central and state governments in addressing the problems and issues raised by the MGNREGA Act and formulating plans and policies in the current context, as well as various stakeholders such as Rural Panchayats, former academicians, researchers, and the general public. As a result, the researcher decided to carries a study.

SILENT FEATURE OF MGNREGS

Right-based framework: Under the statute, any adult members of a family who are willing to conduct unskilled physical labour have the right to demand employment. A employment card will be issued by the Grama Panchayat following proper verification. After verification, the GP will provide the household with a free job card (including the member's information) and a photograph within 15 days of the application.

Time bound guarantee of employment: The Grama Panchayat (GP) shall give jobs within 15 days of receiving a job application; otherwise, unemployment benefits will be paid. Depending on the demand, a Job card (House Hold) can provide up to 100 days of guaranteed employment in a fiscal year.

Permissible works: Water conservation, drought proofing (including planting and a forestation), flood protection, land development of vulnerable parts of SCs and STs, and small irrigation that aids the irrigation system for farmers are among the projects in the rural region.

Labour intensive works: A 60:40 wage-to-material ratio will be maintained for the duration of the programme. Contractors and machines are not allowed. Wages must be paid every week and in any event no later than every two weeks. Wages can also be paid directly to wage employees through their bank or post office accounts.

Decentralization: Gram Sabha (local community) will be the bottom- level implement agency, recommending and executing activities at the grass-roots level, and it will complete at least half of the work. The Mahatma Gandhi National Rural Employment Guarantee Scheme would be planned, monitored, and implemented by the PRI (Panchayat Raj Institution).

Work site management and facilities: All work shall be given within a 5-kilometer radius of the hamlet under the Mahatma Gandhi National Rural Employment Guarantee Scheme. Allowances are given under the Act if the distance exceeds 5 kilometers. Also, if there are 5 or more children under the age of 6 years accompanying the women working at any location, preparations must be made to designate one woman worker to care after such youngsters. The statutory minimum salary will be paid

to the individual assigned to this task. On the job locations, a crèche, drinking water, first-aid, and shade will be provided. It is necessary to guarantee that measurements are taken in a timely manner.

Women empowerment: As a result of women's vulnerability, the legislation requires that at least one-third of the workforce be women in order to empower women in rural regions. According to the Minimum Wages Act and other rules, employers are not permitted to discriminate on the basis of gender, and both men and women are entitled to equal pay.

Transparency and Accountability: The statute mandates proactive sharing of information as a preventative strategy. The Gram Sabha is also required to undertake a Social Audit. For effective implementation, regular monitoring at all levels is required. And, in the case of difficulties posed for their viability, they can file a grievance.

Funding: In the MGNREGS 100 percent of wage expense is paid by Central Govt. The State Government is responsible for 25% of the material expenses. In addition, the state government pays the unemployment payment.

THE IMPLEMENTATION STRUCTURE OF MGNREGS

The Mahatma Gandhi National Rural Employment Guarantee Scheme includes a five-tier structure for implementation, commencing with Grama Panchayats at the bottom and ending with the federal government at the top.

Gram Panchayat (GP): Grama Panchayat is the bottom-level nodal entity with the power to select, plan, and implement half of the projects. The Gram Sabha is in charge of task selection, monitoring, and oversight (village council). The GP is in charge of registering families, issuing job cards, receiving job applications, providing jobs, and overseeing NREGA projects.

Block Panchayat: The remaining 50% may be handled by the block Panchayat, the district Panchayat, or both. At the block level, the Block Panchayat oversees and coordinates the plans and works. MGNREGA works, muster roll entries, and other computer updates are done at the block level under the supervision of the MGNREGA programme officer.

District Panchayat: In addition to conducting no mandatory works, the District Panchayat manages MGNREGA operations at the district level. It is also in charge of preparing the district's yearly plan as well as the five-year perspective plan. These two plan documents serve as the foundation for implementing the MGNREGA in villages. These materials are created in collaboration with the GP and block Panchayat at the district level. **State Government:** The state government facilitates the flow of MGNREGA money and assists in the training of people in the state and at the district level in order to manage the system. It is also the obligation of the state government to establish the State Employment Guarantee Council. The latter's function is to provide periodic advice to the government on MGNREGA implementation in the state. ⁹ In addition, the council is in charge of monitoring and reviewing the MGNREGA programme in the state.

Central Government: At the top level, the Union Government serves the function of hierarchy. The nodal agency for MGNREGA implementation is the Ministry of Rural Development in New Delhi. It is in charge of forming the Central Employment Guarantee Council, which will provide advice on MGNREGA implementation. It may also conduct an independent assessment and monitoring of the programme. It is in charge of preparing the budget and disbursing monies and makes certain that each functionary is built to supply the system.

CONCLUSION

MGNREGA not only provide wage employment as an alternative source of livelihood but also create durable assets such as road construction, land development, water conservation & irrigation facility, which has tremendous influence on different sectors of village economy. This act provides employment guarantee for unskilled workers for 100 days wage employment to adult member of a household in financial year based on their demand in several areas & ensures livelihood security for rural population. This act is considered as a eradicating rural poverty & unemployment, by way of generating demand for productive labour force in village.

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