



## MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA) AND MIGRATION IN RURAL INDIA

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### ABSTRACT :

The MGNREGA is the flagship welfare programme of the UPA Government and the largest of its kind in India. MGNREGA will have significant positive impact on seasonal Rural – Urban Migration by providing rural workers with employment during the lean season MGNREGA income provides a significant value addition to meet the higher order needs critical for their survival or growth and development of their family. Thus public work offering relatively Predictable employment Opportunities are particularly effective in slowing Rural – Urban migration. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was enacted in India with the multiple objectives of providing employment in a rights-based framework, addressing rural poverty, checking migration, and building rural infrastructure. As such, every year around 15-20 per cent of households in India overall and 30 per cent in rural India receive some form of employment share under the MGNREGA programme. This volume looks at various aspect of the scheme, its linkage with employment, agricultural wages, livelihood and food security, gender issues, and migration in rural India. It also discusses challenges in implementation, hurdles and the relative successes of the scheme. Based on primary survey data from 16 major states in the country, the findings of the study provide key insights into MGNREGA and assess the implications for other welfare-oriented programmes. Rich in empirical data, this volume will be useful to scholars and researchers of political economy, economics, agriculture, rural development and sociology, as well as policymakers and nongovernmental organisations.

**KEYWORDS :** MGNREGA, Rural employment, Rural-urban migration.

### INTRODUCTION

Mahatma Gandhi Rural Employment Guarantee Act (MGNREGA) though notified on 7 September, 2005, was implemented in all the rural districts of India in April 2008. It is the biggest employment providing programme ever started in a country for the development of its rural areas. It aims at providing 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer



to undertake unskilled manual work. This Scheme is different from the earlier employment programmes launched by the Government of India. This scheme is on one hand demand-driven and on the other, treats employment as a right of the rural households. Thus, the scheme provides income directly to the unskilled workers in the rural areas. The MGNREGS has shown a significant improvement in different aspects. The number of households associated with MGNREGA works has been increasing consistently, the number of days for

which employment has been provided have also increased. Another important aspect of MGNREGS is the increasing participation of women in it. It not only provides employment to them but by giving wage rate equal to that of a man, it has empowered the women economically as well as socially.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) aims at enhancing livelihood security of households in rural areas of India by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The MGNREGA has become a powerful instrument for inclusive growth in rural India through its impact on social protection, livelihood security and democratic governance (Prakash, 2013). The objectives of the Act include:

- Ensuring social protection for the most vulnerable people living in rural India by providing employment opportunities
- Strengthening decentralised, participatory planning through convergence of various antipoverty and livelihoods initiatives
- Deepening democracy at the grass-roots by strengthening the Panchayati Raj Institutions (PRIs) and
- Effecting greater transparency and accountability in governance.

#### Key processes in the implementation of MGNREGA

- Adult members of rural households submit their name, age and address with photo to the Gram Panchayat.
- The Gram Panchayat registers households after making enquiry and issues a job card which contains the details of adult members enrolled and his / her photo.
- The employment will be provided within a radius of 5 kilometres and if it is above 5 kilometres extra wage will be paid.
- If employment under the Scheme is not provided within fifteen days of receipt of the application, daily unemployment allowance will be paid to the applicant.

**Meaning:** Providing 100 days of work to every rural household whom volunteer to do unskilled manual work. At present it entirely covers all over India except urban population. More than the 65% of the work was done under the MGNREGA was linked to Agriculture and Allied activities.

#### Salient features of the Act

The National Rural Employment Guarantee Act differs from all the previous employment programmes by bearing the special features like legal guarantee of 100 days of employment for the adult members of a rural household who are ready to do unskilled manual work, assurance of employment within 15 days of application failing which un-employment allowance shall be paid, wages are to be paid according to the Minimum Wages Act which will not be less than Rs. 125/day as stipulated in 2010, disbursement of wages only through the bank or postal accounts, at least 1/3rd of the beneficiaries shall be women and another striking feature of the Act is to provide basic facilities like drinking water, shade, first aid box and crèche at the worksite.

#### MGNREGA - A Brief Overview

Mahatma Gandhi national rural employment guarantee act (MGNREGA) was enacted by legislation on Aug 25, 2005 and is the largest public program in India, initiated by the UPA government. It started in 2005-06 with 200 districts and slowly extended to another 130 districts in 2007-08 and to all remaining 285 rural districts in 2008-09. Under this act every adult member of rural household is entitled to at least 100 days guaranteed wage employment in a financial year, if volunteered to do unskilled manual work. Here all rural families are entitled to apply for participation and get job card issued. Some of the salient features of MGNREGA are as follows:

- All adult members of a rural household willing to do unskilled manual work have the right to demand employment.
- Such a household will have to apply registration to the Gram Panchayat. • After verification, the Gram Panchayat will issue a Job Card with photograph of all adult members of the household willing to work under the programme.
- The Job Card must remain in the custody of the household.
- Job Cardholder can apply for work to the Gram Panchayat which will issue him/her a dated receipt of the work application.
- Employment will be provided by the Gram Panchayat (local self governing body) within 15 days of work application, failing which unemployment allowance will be paid.
- Disbursement of wages has to be done weekly basis and not beyond a fortnight.
- Wages will be paid at the wage rate to the wage earners through their Bank/Post office accounts.
- An annual shelf of works to be prepared in advance for each year.
- A ratio of 60:40 for wage and material costs should be maintained at GP level.
- No contractors/and no labour-displacing machinery shall be used in execution of works.
- Panchayati Raj Institutions will have a principal role in planning, monitoring and implementation
- At least one-third of the workers should be women.
- Inbuilt incentive-disincentive structure to the State Government for guaranteeing employment. According to NREGA Act funding under this scheme is shared by central and state government.

**The Central Government bears the costs on the following items:**

- The entire cost of wages of unskilled manual workers.
- 75% of the cost of material, wages of skilled and semi-skilled workers.
- Administrative expenses as may be determined by the Central Government, which will include, inter alia, the salary and the allowances of the Programme Officer and his supporting staff and work site facilities.
- Expenses of the Central Employment Guarantee Council.

**The State Government bears the costs on the following items:**

- 25% of the cost of material, wages of skilled and semi-skilled workers.
- Unemployment allowance payable in case the State Government cannot provide wage employment on time.
- Administrative expenses of the State Employment Guarantee Council.

**LITERATURE REVIEW**

**National Tribunal (2006)** studied 100 days programme of NREGP in districts of Madhya Pradesh and reported that tremendous hurdles were faced at the first stage of registration and acquiring of the job cards. Women headed household and joint families are the main disadvantages in accessing the benefits of the programme as it is applicable only to the head of the household. Here every individual has actually received the benefits of work.

**Mathur (2007)** argues in favour of MGNREGA that it has marked the beginning of momentous changes in the lives of the rural poor. He shows that migration was less than in several villages in Andhra Pradesh, Chattisgarh, Orissa and Rajasthan, was less than minimum wage were raised in many states, the participation of women increased significantly even in the districts of Rajasthan and Uttara Pradesh.

**P.S. Srikantha Murthy, and S. Indumati (2011)** Using macro level data on MGNREGA performance in drought-prone states of Karnataka and Rajasthan as well as in irrigation-dominated state of Andhra Pradesh, this study has revealed that the impact of MGNREGA wage on the economic scarcity of labour is relatively modest when compared with the impact of hike in non-farm wages. Even though the provision of food security through public distribution system has contributed to the economic scarcity of labour, the relative hike in non-farm wages is contributing to higher economic scarcity of labour rather than PDS and MGNREGA

wages. The study has suggested subsidies for farm mechanization should be provided in order to sustain food and livelihood security in the drought-prone as well as irrigation-dominant states of India.

**Raju Narayana Swamy (2013)** reviewed the high percentage of women participation in the scheme clearly projects that the programme to a great extent has been beneficial for the women. This social protection which the Act ensures the promotion of gender equality empowers women and reduces social exclusion.

**Chakraborty's (2007)** paper also indicates that the existing institutional arrangement in poorer states is not good enough to implement the NREGA in an effective manner. He observes that keeping the spatial dimension of the implementation in mind, the importance of the smooth flow of funds for implementation of projects in accordance with the demand, capacity building at the village level, right to information to enable social audits effectively, accountability of functionaries and an effective grievance redressal mechanism assume critical importance. It has also made an attempt to diagnose the interstate variation in performance regarding implementation of the Act.

**Sudha Narayanan (2008)** in her case study on implementation of NREGA finds out that in Tamil Nadu the National Rural Employment Guarantee Act has brought about major changes in the lives of women. She observes that childcare is a problem for many of the working women specifically for young mothers. However, she found that around 70% of the women surveyed reported that there were no childcare facilities at the worksite. Children suffer from harsh weather or sickness at the worksite. So to overcome this problem she has suggested that a creche is needed at the worksite and at least a minimum level healthcare facility should be implemented at the worksite area.

**P C Jaffer's (2008)** paper examines the implementation issues and the immediate impact of the NREGA on rural population in Gulbarga district of Karnataka. As an IAS officer and being associated with the implementation of the Scheme the author says that the scheme is successful in Gulbarga district in creating an impression in the minds of the people that it would help in minimizing pilferages and ensure the benefits of government programmes reach the real beneficiaries. Moreover, the scheme has an impact in raising the standards of living and agricultural wage level in the villages and has led to the creation of durable community assets.

**Bhattacharya and Sudarshan (2008)** have made an empirical study on the implementation of NREGA in Abu road block of Sirohi district of Rajasthan. They have shown that the scheme has met with partial success in the block under study. Among deficiencies they have focused on the non-receipt of minimum wages by all the participants and complete absence of creche facilities in the worksites.

### Works allotted under Mahatma Gandhi NREGA

**Table1: Works conducted under Mahatma Gandhi NREGA**

Sr.No	Area of Work	Type of Work
1	Sr.No Area of Work Type of Work	Contour trenches, Counter bunds, Boulder checks, Farm bunding, Gabion structures, underground dykes, Earthen dams, Dugout farm ponds, stop dams
2	Watershed-related works in mountain regions	Springshed development
3	Agriculture related works	NADEP composting, Vermi composting, Liquid bio- manures
4	Livestock-related works	Poultry shelter, Goat shelter, construction of pucca (permanent) floor urine tank and fodder trough for cattle, Azolla as cattle – feed supplement
5	Fisheries related	Fisheries in seasonal water bodies on public land

6	Works in coastal areas	Fish drying yards, construction of storm water drains for coastal protection, Belt vegetation
7	Rural drinking water related works	Soak pits, Recharge Pits
8	Rural Sanitation	Individual household latrines, School toilet units, anganwadi toilets, solid and liquid waste management
9	Flood Management	Deepening and repair of flood channels, chaur renovation
10	Irrigation Command related works	Rehabilitation of minor canals, sub minors and field channels
11	Rural Connectivity	Stone Kharanja or brick kharanja, cement concrete and cement interlocking
12	Land Development	Private land owned by Schedule Caste, Schedule Tribe or Below Poverty Line families (BPL)

Source : MoRD, 'Report of the Committee on Revision of MGNREGA Operational guidelines', Ministry of Rural Development, 2012.

#### Research Objective of The Study :

- To study the Works allotted under MGNREGA
- To study the Labour Migration in India
- To study the MGNREGA Is an Alternative to Migration

#### METHODOLOGY

The methodology adapted to construct this seminar paper has been based on the secondary data only; such data is made available from various journals, books, news-papers and inter-net sources.

#### Labour Migration in India

Labour migration seldom involves the migrant alone. The decision to migrate is often taken within the household, with consideration of wider family and or community context. The stereotype of the individual male labour migrant is somewhat misleading in the context of India a considerable proportion of migrants are women and many migrant take their families with them. In general it is not the poorest of the poor who migrate. Migration requires capital to cover the costs of the Journey and potential unforeseen problems along the way or during the stay social networks for example knowing the employer or people in the area of destination and access to information especially work opportunities. The meaning of labour migration in India as well as its drivers vary from place to place and from migrant to migrant, it is very difficult and often problematic to generate. Nevertheless it has increasingly been considered an important development issue in the country as shows the recent setting up of the Mahatma Gandhi National Rural Employment Guarantee Act. Among the migrant in the rural areas, nearly 91 percent have migrated from the rural areas and 8 percent have migrated from the urban areas, whereas among the migrants in the urban areas, nearly 59 percent migrated from the rural areas and 40 percent from urban areas. The reason for migration for male migrant was dominated by employment related reasons, in both rural and urban areas. Nearly 29 percent of rural male migrants and 56 percent of urban male migrants have migrated due to employment related reasons. A higher percentage of the persons were found to be engaged in economic activities after migration; for males the percentage of workers have increased from 51 percent before migration to 63 percent after migration in rural areas while for females, it has increased from 20 percent to 33 percent in rural areas. For rural males, self-employment has emerged as main recourse to employment

after migration. The share of self employment in total migrants have increased from 16 percent before migration to 27 percent after migration while the share of regular employees and casual labour remained almost stable in both before and after migration.

### **MGNREGA Is an Alternative to Migration**

One of the significant objectives of the MGNREGA is to arrest out- migration of unskilled landless labour force from the rural areas to urban areas by ensuring up to 100 days of wage employment within their native jurisdiction so that these guaranteed wage employment can be judiciously and rationally utilized by the landless peasants during lean and distress seasons. As far as possible the work site is to be within a five Km radius of the applicant's village. In case it is not it must be provided within the Block and the labourers must be paid 10 percent of their wages as extra wages to meet the additional travel and living expenses MGNREGA too could become a predictable source of local employment and therefore reduces distress migration. In this respect MGNREGA contrasts with previous employment programmes such as Jawahar Rozgar Yojana or Sampoorna Grameen Rozgar Yojana MGNREGA will have significant positive impact on seasonal rural-urban migration by providing rural workers with employment during the lean season. The lack of exact official data on migration is a matter that should be corrected as soon as possible as it is quite important to quantify this as accurately as possible as rural-urban migration can become quite a problem for both the source and destination areas.

### **CONCLUSION**

Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP) in India that was launched in the year 2005 as a social security measure aimed at providing employment security to the poor in villages. The MGNREGA was also meant to use this labour to construct rural infrastructure that is clearly wanting in India. The National Rural Employment Guarantee Act guarantee 100 days of work to all households. The aspect of MGNREGA where it can be used to curb rural- urban migration is conditional on that it is being implemented well in that region, otherwise if work is not supplied if wages aren't paid on time and if money is just being siphoned off , then workers will have no incentive to stop migration. However it should be clear that the primary aim of the Act is to provide welfare for the section of the population that does not even earn the minimum wage – the fact that it can also curb distress migration is just a positive secondary impact of the Act. Therefore if it can be used to curb rural – urban migration then it will be yet another benefit from this Act, which can actually do something concrete in poverty alleviation and rural development in the long run.

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