

MGNREGA

June 7, 2020

- Mahatma Gandhi National Rural Employment Guarantee Act is an employment scheme to enhance livelihood security in rural areas by providing at least 100 days of guaranteed demand based wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work.
- Ministry: Ministry of Rural development
- Beneficiaries are willing rural population, unskilled manual labourers and seasonally unemployed.
- A 60:40 wage and material ratio has to be maintained.
- No contractors and machinery is allowed.
- Wages are linked to Consumer Price Index (Agriculture labour).
- The central government bears the 100% wage cost of unskilled manual labour and 75% of the material cost including the wages of skilled and semi-skilled workers.
- If work is not provided within 15 days of applying, applicants are entitled to an unemployment allowance.
- MGNREGA is to be implemented mainly by gram panchayats.
- At least one-third beneficiaries shall be women.
- Social audit has to be done by the gram sabha at least once in every 6 months.

Reforms

- In the true spirit of the MGNREGA, it was seen as an opportunity to enhance the livelihood security of rural households. There was a thrust on durable assets like farm ponds and dug wells that increase incomes. Animal sheds for marginal and small farmers were taken up along with 90/95 day wage labour support to landless manual casual labour who were provided housing under PradhanMantriAwaasYojana-Gramin (PMAY-G). Water

conservation was given a focus by notifying Mission Water Conservation guidelines for MGNREGS in 2016 and following up with adequate capacity building.

- Use of tech: Geotagging + DBT transfer of wages
- Changes were brought in the programme by making 60:40 wages to material ratio applicable at the district level instead of at gram panchayat level. This ensured evidence-based selection of works. 60% works were earmarked for agriculture and allied sectors and states were encouraged to come up with state specific water conservation and afforestation efforts. By making 60:40 work at district level, it was possible to take up priority public infrastructure like anganwadi buildings under MGNREGS.
- The labour budget of states was drawn on the basis of manual casual labour and deprivation counts, to ensure that states with more manual casual labour and deprivation got more of the MGNREGS resources. The Socio Economic and Caste Census (SECC) finalised in July 2015 provided an opportunity to ensure that MGNREGS funds went to the poorest regions of the country. Linking 90/95 days of work with the rural housing programme which also used SECC based deprivation; it was possible to substantially raise labour budgets in poorer regions.
- Seeing climate change impact showing up in one-fifth of the districts every year in the form of low or late rains, a provision was made to notify 150 days of work in such regions that had a natural calamity or drought.