

Revised MGNREGA wages

April 8, 2022

In news— Recently, the Ministry of Rural Development has notified fresh wage rates under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) for financial year 2022-23.

Revised wages-

- As per the revised wages 21 out of 34 states and Union Territories are getting less than 5 percent increase and 10 states getting more than 5 per cent hike.
- There is **no change in the wage rates of three states – Manipur, Mizoram and Tripura.**
- The **maximum 7.14 per cent has been recorded in Goa**, from Rs 294 per day in 2021-22 to Rs 315 per day in 2022-23.
- **The lowest increase of 1.77 per cent is in Meghalaya** where the new wage rate has been fixed at Rs 230 per day from the existing Rs 226 per day.
- **According to the new wage rates, five states and UTs with the highest NREGS wages are** Haryana (Rs 331 per day); Goa (315); Kerala (311); Karnataka (309); and Andaman & Nicobar Islands (308).
- **Five states with lowest NREGS wages are** Tripura (212); Bihar (210); Jharkhand (210); Chhattisgarh (204); and Madhya Pradesh (204).

How are wages revised?

- Wage rates for workers under the MGNREGA are notified and **revised by the Central Government in accordance with the provisions of Section 6(1) of the MGNREGA, 2005.**
- The Union government **fixes state-wise wage rates according to changes in the CPI-AL (Consumer Price Index-Agriculture Labour)**, which reflects the increase in the inflation in rural areas.
- The revised wage rates are made applicable from 1st

April of the year.

- MGNREGA wages are paid based on measurement of work done i.e. piece rate basis.
- The actual wage payable is calculated based on the output of the worker.
- Every State has its defined Schedule of Rates on the basis of which the work output is defined and used to calculate the wages for MGNREGA beneficiaries.

About MGNREGA-

- It 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**.
- MGNREGA scheme was **launched in February 2006**.
- **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.
- 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.