

# 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.