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## IMPLEMENTATION OF MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT,2005: CHALLENGES AND REMEDIES

**Krishan Kumar**

Research Scholar, Deptt. of Public Administration, K.U.Kurukshetra.

**Abstract:**-Employment is part and parcel of our life. Government has launched a lot of schemes for the employment generation and rural poverty eradication in India. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is also such a historic unique legislation reiterating government commitment towards livelihood security of the people in rural areas. Recently it is a largest scheme of the world to provide social protection to rural masses. This scheme is an attempt to eradicate rural poverty and fight against unemployment. It is a largest programme of government of India which is helpful in the financial inclusion of the people. MGNREGA, however in a short period has extended in whole country and doing a lot for the rural development. Still it is facing a number of challenges such as low awareness among beneficiaries, low wages, corruption and inconsistency in maintenance of muster-rolls etc. Even though MGNREGA is playing a role of catalyst in rural economy. All these challenges can be over come through the proper mechanism.

**Keywords:**-Beneficiaries, Challenges, Employment, Government, Muster-roll, Scheme,

### INTRODUCTION

Employment is part and parcel of our existence and looked upon as an instrument that guarantees survival for the majority of the population. Lack of employment threatens the survival of man. MC Namara, the Ex-president of the World Bank, observes: Employment is not only economic necessity but also a social imperative because only an employed person can assume a fuller measure of human dignity and independence. Therefore, joblessness is one of the serious phenomena facing the administrators and planners all over the world. In the developing countries joblessness coupled with poverty poses a difficult challenge. In our region i.e. in South Asia more than 1/3rd of the population is living in abject misery and 18% of the world Labour force lies in this region. In India about 1/3rd of the population is poverty ridden and gross unemployment is very high. Promotion of employment avenues and progressive reduction of unemployment has been one of the Principal objectives of Economic planning in India since 1947. Political freedom is Meaningless for an unemployed person. The directive Principles of state policy clearly states that the state should strive for providing employment to all persons.

MGNREGA is a historic unique legislation reiterating government commitment towards livelihood security of people in rural areas. Recently MGNREGA on 2 October, 2009 renamed as Mahatma Gandhi National Rural Employment Guarantee Act (NAREGA). It is a largest scheme of the world to provide social protection to rural masses. In the initial phase, it was started in 200 districts but now the scheme is being implemented throughout the country.

MGNREGA provides at least 100 days guaranteed employment in a financial year to every deserved household and the employment is provided to a adult volunteer member of the house prepared to do unskilled manual labour. This scheme is an attempt to eradicate rural poverty and fight against unemployment. In backward rural areas, it helps in the social and economic inclusion of the deprived masses. This programme also has largest financial inclusion because till now 10 crore accounts have been opened in banks and post offices in rural area with zero balance for the payment under MGNREGA and 80 per cent to 90 per cent people working under MGNREGA have been included in financial network.

The MGNREGA is a holistic measure aimed at fulfilling one of the most important human right, that is right to employment at least one member of the family main objective of the scheme is the creation of durable assets and strengthening the livelihood resource base of the rural poor for fighting poverty.

#### **MANDATE OF THE ACT**

The mandate of the Act is to provide 100 days of guaranteed wage employment in a financial year (FY) to every rural household whose adult members volunteer to do unskilled manual work.

#### **A PARADIGM SHIFT**

The MGNREGA marks a paradigm shift from previous wage employment programmes either planned or implemented in India's history. MGNREGA is unlike any other in its scale, architecture and thrust. It has an integrated natural resource management and livelihoods generation perspective. The transparency and accountability mechanisms under MGNREGA create unprecedented accountability of performance, especially towards immediate stakeholders. Some of its other unique aspects are outlined below:

Its design is bottom-up, people-centred, demand driven, self-selecting and rights-based,  
It provides a legal guarantee of wage employment,  
It is a demand-driven programme where provision of work is triggered by the demand for work by wage-seekers,  
It has legal provisions for allowances and compensation, in case of failure to provide work on demand, and delays in payment of work undertaken. In case work is not provided on time, the States bear the cost of the unemployment allowance,  
It overcomes problems of targeting through its self-targeting mechanism of beneficiary selection,  
It incentivises States to provide employment as 100 per cent of the unskilled labour cost and 75 per cent of the material cost of the programme is borne by the GoI,  
Unlike the earlier wage employment programmes that were allocation-based, MGNREGA is demand driven and the transfer of resources from GoI to States is based on the demand for employment in each of the States. This provides an additional incentive for the States to leverage the Act to meet the employment needs of the poor,  
The order of devolution of financial resources to GPs (with GPs implementing 50 per cent of the works in terms of cost) is unprecedented,  
The bottom-up, people-centred, demand-driven architecture also means that a great share of the responsibility for the success of the MGNREGA lies with the wage-seekers, GSs and GPs,  
Social audit, a new feature of MGNREGA, creates unprecedented accountability of performance, especially towards the immediate stakeholders,  
A Report on the outcomes of MGNREGA is presented annually by the GoI to the Indian Parliament and by the State governments to the State Legislatures. Given the radically new character of the programme, an innovative approach is required for the effective implementation of MGNREGA so that the novel elements of the Act can be properly realised on the ground at the cutting-edge level of implementation.

#### **SIGNIFICANCE OF THE ACT**

The significance of MGNREGA lies in the fact that it operates at many levels. It creates a social safety net for the vulnerable by providing a fall-back employment source, when other employment alternatives are scarce or inadequate. It adds a dimension of equity to the process of growth. It creates a right-based framework for wage employment programmes, by conferring legal entitlements and the right to demand employment upon the workers and makes the Government accountable for providing employment in a time bound manner. By prioritizing natural resource management and emphasizing the creation of durable assets. It holds the potential of becoming a growth engine for sustainable development of agriculture based economy. Finally, its operational design built around strong decentralisation and lateral accountability to local community offers a new way of doing business and a model of governance reform anchored on the principles of transparency and grass root democracy. In this way, the potential of MGNREGA spans a range from basic wage security and recharging rural economy to a transformative empowerment process of democracy.

#### **CHALLENGES:**

MGNREGA, however in a short period has extended in whole country and doing a lot for the rural development but still it is facing a num of challenges given below.

1. There is a low awareness among potential beneficiaries about certain provisions of the MGNREGA such as low awareness about unemployment allowances, low awareness about work on demand etc. This limits their ability to be fully benefitted under the Act.
2. The employment for per household for 100 days is already very low but even this target has become a distant dream. Merely in Rajasthan, where public awareness is high, 77 days of employment per household were provided in 2006-Out it decreased in next year (2007-08) and remained 68 days if the scenario of whole India is seen it was just 17 person days during 2006-07 and 16 person days in 2007-08.

3. Recently, the National Advisory Council recommended 100 rupees as minimum wage for per day under MGNREGA but low wages are paid in some states. According to Supreme Court judgement this is considered as 'forced labour'.
4. Infrequent meeting and low participation at the Gram Sabhas convened for planning MGNREGA works further limit the implementation of the scheme at the village level in many places.
5. In some states of India, CAG of India conducted the audit of the schemes in the introductory phase of the Act and majority of the findings of the audit were regarding process deviations from the national guidelines.
6. Reports from the field suggest that wage payments are often less than the notified wages, delays in payment in many cases.
7. Inconsistency is found in maintenance of muster-rolls. Moreover, sometimes the names of migrated or even dead persons were also found in muster-rolls.
8. The work-site facilities such as clean drinking water, shades, child care centres, board at work place and social security measures are inadequate or in some places they are not even found.
9. If an applicant for employment under the scheme is not provided employment within 15 days of receipt of his application or from the date on which the employment has been sought, he/she is entitled to a daily unemployment allowances. The CAG audit found that unemployment allowances was not paid in 58 of the surveyed blocks across 17 states, including Assam, Chhattisgarh, Jharkhand, Karnataka, Orissa, Rajasthan and Uttar Pradesh.
10. Ineffective grievance redressal mechanism remains a concern in the proper implementation of the scheme.
11. Lack of trained, knowledge and devoted staff for the implementation of the MGNREGA is main hindrance responsible for procedural lapses.

#### SUGGESTIVE MEASURES:

There are some suggestive measures for the effective and proper implementation of the Act. such as:

1. List of permissible work under MGNREGA should be increased.
2. The demand based character of MGNREGA should be ensured.
3. There should be effective planning to match the demand and supply of work under the Act.
4. The employment of 100 days for a household should be increased because it is not enough for a whole family. More than it even guaranteed employment of 100 days is not available to the people. Rajya Sabha member and former RBI governor Bimal Jalan also suggested that the number of days of the employment should be increased to 120 days. It is necessary to raise the economic standard of the beneficiaries.
5. Awareness about the provisions of the Act among beneficiaries should be spreaded properly. An official can be appointed at local level to make people well-informed about the benefits and provisions of the MGNREGA. E-governance, presently working in villages can play vital role in this regard.
6. The implementation machinery should be strengthened at panchayat and block level. This has been one of the most important recommendations of the CAG. All the implementation authorities should be given proper training so that they could know about their duties and responsibilities.
7. Proper training should be given to the representatives of Panchayati Raj institutions and local officials so that they can effectively participate in planning, implementation, evaluation and social auditing.
8. Strict time schedule should be followed at the working site under the Act.
9. Meetings of Gram Sabha about the Act should be conducted frequently so that the proper implementation of the Act can be ensured. The timely wage revision should be done however, MGNREGA is attached with Minimum Wage Act but a separate wage
10. Board can be constituted for wage revision according to inflation.
11. Delays in wage payment should be reduced and strict time schedule should be followed at the working site under the Act. Moreover, all the records about the Act should be computerised.
12. The widespread corruption should try to be minimized. Big scams were found during survey. Government should encourage PRIs, Civil Society, NGOs for social auditing and those who are found involved should be punished.
13. Proper grievance redressal machinery should be established for the prompt removal of the complaints and beneficiaries should be encouraged to make complaint against any misbehaviour or irregularities.
14. MIS and ICT should be strengthened for timely payment of wages and transparency and accountability.
15. The widespread corruption should be checked at all the stages of the implementation of the Act so that beneficiaries under the Act can achieve their livelihood smoothly.
16. Equal opportunities for vulnerable groups such as persons with disabilities, primitive tribal groups, women in special circumstances and internally displaced persons should be ensured so that they can be benefited from this Act.
17. Proper maintenance of master rolls should be ensured at panchayat level so that real beneficiaries of the scheme can be benefited under the Act.
18. Financial inclusion under the scheme should be promptly so that loop hole of the schemes can be plugged off timely.
19. Educated and skilled rural people should be given opportunities for job under the scheme.
20. The law regarding the women reservation should be followed strictly and if possible it should be increased at 50 per cent.
21. Most of the people working under the scheme are uneducated so government should be attached them with some literacy

mission such as SaravShikshaAbhiyan so that they can be eligible to understand rule-regulations.  
22. Better social audit and vigilance for transparency and accountability should be strengthened under the Act.  
23. Administrative expenses under the scheme should be decreased.

#### CONCLUSION:

It is concluded that the Act is very strong theoretically but is facing some practical problems. In order to implement the Act in systematic and proper manner, it is necessary that each state may develop comprehensive plan for strengthening panchyats using MGNREGAs and publish it. MGNREGA is playing a role of catalyst in rural economy. No Nation can reach in the category of a developed nation unless it empowers people at grass-root level.

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**Krishan Kumar**

Research Scholar, Deptt. of Public Administration, K.U. Kurukshetra.

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