

Impact of MGNREGA on Employment Generation in Jamui District of Bihar

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ABSTRACT

Mahatma Gandhi National Rural Employment Guarantee scheme is as a flagship program by the Government of India started on February 2, 2006. As per the Scheme, each rural household gets 100 days of guaranteed employment (unskilled works) every year. Although the major objective of this scheme is to provide livelihood security for rural households, it also facilitates the creation as well as maintenance of rural infrastructure and employment generation. The present paper is an attempt to overview the impact of MGNREGA on employment generation in Jamui District of Bihar state. It also examined the financial progress of MGNREGA and employment generated by this scheme. The study revealed that MGNREGA plays a significant role in employment generation in Jamui District. To perform the objective of the paper secondary data has been used. The finding of the study reveals that MANREGA plays an important role in employment generation in Jamui District. It not only provides security for food but also supports rural development.

Keywords: - MANREGA, Employment Generation

I. INTRODUCTION

The national rural employment scheme (NREGA renamed as MGNREGA, i.e., Mahatma Gandhi National Rural Employment Guarantee Act) enacted by the Government of India in September 2005, is one of the most indigenous initiatives in the field of public policy and the largest ever public employment program envisaged in human history. The scheme was initially initiated in 200 districts and was later expanded to other districts as well. Going by the name of the act one may take it to be a scheme for providing employment to rural people but it's much beyond that which is evident through various features and guidelines prescribed to be followed under the act – like proportion of 60:40 for wage and physical material costs should be maintained, providing 100 days of employment in a financial year, at least one-third of the wage earners should be women, creation of durable assets, strengthening natural resource management, provision of crèches for children accompanying women workers, employment should be provided within five kilometers and there are many others. Thus, besides providing employment MGNREGA reinforces the rural sector by improving socio-economic conditions, infrastructure and augmenting the agricultural productivity (Desai, Vashishtha, & Joshi, 2015).

A major chunk of the population of rural India are involved in agricultural sector and are dependent on it, thus huge amount of money has been invested to boost this sector. MGNREGA because of being an Act has stringent regulatory framework supporting it which helps make it more accountable and transparent. MGNREGA is generating multiple environmental and socio-economic benefits and thus paving the way for attaining the 17 SDGs by 2030 in rural India (Bhat, Gandhi, Rural, & Bhat, 2015). But the problem here arises is that of unequal level of performance of MGNREGA across the states of the country which can be attributed to not only the

corruption existing among the bureaucracy because of which the intended benefits are not percolating to the intended beneficiaries but also the existence of diversity among the states on the basis of social, cultural, political and economic setup which makes one policy prescription work equally for all the states with individual problems difficult.

Objectives of the Study

- To examine the importance of MGNREGA for the generation of employment in Jamui district of Bihar state.
- To examine the financial progress in MGNREGA in Jamui district of Bihar state.

Research Methodology

Methodology plays a main role in the research process. It not only helps the researcher to formulate the research question but also plays an important role in the research process. It also guides him to answer the questions related to a research problem. Following are the details of broad areas of research methodology. Research methodology as far as the approach to research in the present study is concerned, secondary data have been collected from different articles, research papers, reports, journals, newspapers, and websites. The present study is based on secondary data, wherein secondary data comprises the information from 2018-19 to 2020-21.

Results, Analysis and Discussion

Profile of Jamui District of Bihar

Jamui is a district among 38 districts of Bihar state, India. The district was formed on 21 February 1991, when it was separated from Munger district. Jamui district occupies an area of 3,098 square kilometres (1,196 sq mi). The district has untapped reserves of resources including mica, coal, gold and iron ore. Situated along the Bihar-Jharkhand border, Jamui is dotted with hills and the small retreat town of Simultala falls within the Jhajha block, on the main Delhi-Howrah rail line. Resources available in Jamui

- [Topography](#): The soil pattern of the district differs widely due to topography of the region.
- [Forest](#): The District contains 204734 acre forest which covers 21.28% of the total area.
- [Minerals](#): one of the important district in Bihar where different types of ores & Minerals are found.
- [Gold](#): 44 percent of the country's gold is in the Sono area of Jamui district.

MGNREGS in Jamui District

In Jamui, MGNREGS was launched in 1st phase. On 2nd February 2006, the scheme was launched in twenty three districts of Bihar among which Jamui is the one. The scheme has been covering all the districts under the scheme with effect from 1st April 2008.

Table 1: Status of MGNREGA in Jamui District as on 31/03/2021

Total No. of JobCards issued[In Lakhs]	3.44
Total No. of Workers[In Lakhs]	11.07
Total No. of Active Job Cards[In Lakhs]	4.48
Total No. of Active Workers[In Lakhs]	2.81
(i)SC worker against active workers[%]	29.89
(ii)ST worker against active workers[%]	10.32

Source: www.nrega.nic.in

Table-2 : Trends and Progress of Employment Generation In Jamui District

Year	Person Days Generated so far (in lakhs)	SCs Person Days Generated (in lakhs)	ST Person Days Generated (in lakhs)	Women Person Days Generated (in lakhs)
2018-19	33.69	5.80	1.86	18.07
2019-20	45.94	7.40	2.56	25.79
2020-21	61.35	7.21	3.32	33.73

Source: www.nrega.nic.in

MGNREGA and employment generation in Jamui district: Table-2 shows that the progress of employment generation in Jamui at a rapid rate. Person employment generated days during the year 2018-19 was 33.69 lakhs and it increased to 61.35 lakh person-days in 2020-21 which is almost double. Above 48 percent of the beneficiaries of the scheme are women. From the overall data, we can observe that rural women have started more participating in MGNREGA. The employment provided to women is increasing in starting three years.

Table-3: Average Wage Rate in Jamui District

Year	Average Days of Employment Provided Per Household	Average Wage Rate Per Day Per Person(Rs.)
2018-19	42.20	176.96
2019-20	42.03	176.97
2020-21	44.66	193.87

Source: www.nrega.nic.in

Interpretation: The above table shows that if we compare the Average days of employment provided per household it increased to 42.20 days during 2018-19 and to 44.66 days during the 2020-21 financial year. In case of Average wage rate per day per person indicate low rate on increment from 2018 to 2020 i.e. only 0.01% but an increased during financial year 2020-21. In 2018-19 average wage rate is Rs.176.96 which increased by only 0.01% in 2019-20 but in 2020-21 it increased by 9.6% which is Rs.193.87.

Financial Progress: Fund availability and Expenditure on MGNREGA Block wise in Jamui

Central and state governments both were releasing sufficient funds for proper implementation of this scheme, the total available funds in Jamui district in the financial year 2020-21 were 17946.04 lakh rupees whereas the expenditure incurred during those years was 17897.77 lakh rupees.

Table 4: Financial Performance Under MGNREGA Block wise

S.No	Block	Total Available Fund	Total Expenditure
1	BARHAT	1198.33	1197.24
2	CHAKAI	3102.32	3099.56
3	GIDHOR	357.91	357.84
4	ISLAMNAGAR ALIGANJ	713.91	711.38
5	JAMUI	2295.01	2289.04
6	JHAJHA	2433.18	2427.72
7	KHAIRA	2279.04	2267.76

8	LAXMIPUR	1677.78	1672.19
9	SIKANDRA	1864.19	1852.94
10	SONO	2024.38	2022.1
	Total	17946.04	17897.77

Source: www.nrega.nic.in

Distribution of Expenditure under MNREGA

Expenditure on wages, expenditure on material and skilled wages, and total admin expenditure funds has been calculated block wise in Jamui District which can be shown in below table 5

Table 5: Expenditure under MGNREGA Block wise FY 2020-21

S.No	Block	On Wages	On Material	Tax	Total Adm. Exp	Total Expenditure
1	BARHAT	626.63	503.14	63.32	4.15	1197.24
2	CHAKAI	2317.87	716.29	61.91	3.5	3099.56
3	GIDHOR	306.77	45.24	5.33	0.5	357.84
4	ISLAMNAGAR ALIGANJ	514.39	178.72	17.62	0.65	711.38
5	JAMUI	1256.02	932.93	98.2	1.9	2289.04
6	JHAJHA	1829.54	536.79	57.25	4.15	2427.72
7	KHAIRA	1914.43	318.39	31.48	3.46	2267.76
8	LAXMIPUR	1166.2	450.84	52.6	2.55	1672.19
9	SIKANDRA	1052.9	713.56	85.78	0.7	1852.94
10	SONO	1555.09	423.25	40.04	3.72	2022.1
	Total	12539.83	4819.14	513.5	25.28	17897.77

Source: www.nrega.nic.in

Interpretation: The above table shows that expenditure on Wages was 12,539.83 lakh rupees during 2020-21 block wise. Maximum expenditure on wages. Table-5 shows that Admin expenditure was minimum, i.e., 25.28lakh rupees, while expenditure on material was in 2020-21 4819.14 lakh rupees.

Areas of development and Suggestions

CAG (2007) report was among the firsts to discover major deficiencies in the implementation of MGNREGA. The most recent is an audit exercise piloted in 2017 by the rural development ministry named as the Common Review Mission (CRM) which has found several anomalies in the implementation of MGNREGA. Although recent efforts by the government like Aadhar linking, Electronic fund management system (eFMS), geo-tagging etc. has improved the timely wage payment statistics. It was also found that the actual average wage rate existing in the states was lower than the mandated rates. Next, MGNREGA which was formulated to be demand-driven has become supply-driven. The finding also suggests that there is unawareness among the people regarding their right to demand work. Moreover, the states were having below the average work completion rate. Besides these, lack of transparency in allocation of works, irregularities in measurement of work, ineffective grievance redressal mechanism, poor quality of assets, lack of adequate worksite facilities and lack of technical capacity with gram panchayats were some of the other shortcomings found by the study.

Currently, the government is making efforts to correct these shortcomings. Focus has been placed on simplification and strengthening of procedures. Shortage of funding problem is to be solved at the Centre level as this is a central scheme, the state governments are not supposed to shell out money out of their budget. Moreover the monitoring and auditing system has to be strengthened further especially at the local levels to ensure effective implementation of the scheme. More transparency and accountability should be enforced about the work being undertaken, muster rolls verification, registrations being done; social audits findings and financial resource management involved in the scheme. All the works under MGNREGA must be pre planned with a definite deadline for completion. Guidelines laid in the act like 100 days of employment per house, worksite facilities, one third of women workers etc. should be ensured strictly. Wage rate paid to the workers should be indexed according to the rate of inflation existing. Workers should be empowered by making them aware of their rights, promoting their participation and by enhancing their skill sets by developing their knowledge levels, literacy skills, organizing workers, and enhancing social security levels of workers. The efforts of Opening of the savings accounts of workers' in banks and post offices needs to be escalated to bring more of the workers under the financial ambit and to encourage them to save. The workers should be included in the life and health insurance net as well to improve their security in case of a contingency. MGNREGA can be strengthened further by linking it with other rural development schemes so that together their synergies will pave the way for achieving the SDG's in rural India. Besides these, there is also a need to improve the operational capacity at the gram panchayat level through clear distribution of roles and responsibilities and capacity building of all the agencies involved, as GP's are often found to be inadequate in terms of resources and skilled staff.

There is a current need that the poorly governed Bihar state ought to learn from the better governed states – Kerala, Mizoram, Tamil Nadu etc. in terms of better financial management, technological infrastructure, effective monitoring and grievance redressal systems. Currently the issue brought to the forefront is the delay in the financial audit reports to be submitted by the states to the because of which several states are not getting the funds on time thus are not being able to timely wage payments.

To check out the corruption in MGNREGA and delay payment of workers a LOKPAL is appointed by the Government. The present lokpal of Jamui district Sri Narendra Kumar Singh is appointed.

Functions of MGNREGA Lokpal appointed to resolve the corruption

The Bihar government has constituted a state-level ombudsman to deal with complaints about MNREGA (Mahatma Gandhi Employment Guarantee Scheme). Complaints of any kind of disturbance can now be made to the Lokpal at the state level after the district. The Rural Development Department has nominated Radhakishor Jha as the chairman of the Lokpal and Devesh Nath Dixit as its secretary. The district level decision can be challenged before the state level ombudsman within 15 days.

This provision has been made on the instructions of the Central Government. The Rural Development Department has issued an order in this regard. The Office of the Chairman and Secretary of the MNREGA Ombudsman has been set up in the Rural Development Department in the Secretariat. It is noteworthy that Union Rural Development and Panchayati Raj Minister Giriraj Singh had expressed displeasure over the delay in the selection of MNREGA Ombudsman during the review.

Functions and powers of Lokpal

Lokpal will not only physically inspect MNREGA works, but will also be able to directly investigate complaints received from common people and MNREGA workers. Will execute that too in 30 days. Will be able to take any important documents related to MNREGA from the concerned authorities. They will also be able to take

cognizance of cases of non-payment of wages or non-payment of unemployment allowance. They can give any of their reports from the departmental secretary to the chief secretary directly.

Lokpal is responsible for this important work

Lokpal hears all the complaints related to MNREGA. His office resides in the district headquarters. Restoration is for two years. One-year service extension can also be available before the age of 65 years. One thousand rupees has been fixed for every day's meeting as honorarium. However, the total amount of honorarium in a month shall not exceed Rs.20,000.

Conclusion

MGNREGA is one of the rural development programs implemented in India that gained wide acceptance. The important objective of all development plans in India has been to increase the labor force along with providing employment to the unemployed. The future challenge is not only to generate more employment but also to increase the average productivity in all jobs. It was assumed that growth would automatically solve the problem of unemployment. However, past experience indicates that a high rate of growth is a necessary, but not a satisfactory condition to solve the problem of unemployment. One of the biggest challenges that India is facing in the post-reform era is of generating enough employment to keep pace with the increases in labor forces.

Since independence MGNREGA is the major rural employment generation scheme in India. This scheme not only secures 100 days job but also provides minimum earnings for every adult of every household at a similar time. It satisfies some other aspects of environmental protection, social protection, and rural infrastructure development, promotes women empowerment gender equality, asset creation, and improvement of the migration problem. Accordingly, MANREGA is acting as an important tool not only for employment creation. Apart from it providing equal participation opportunities to rural poor females promotes gender equality in the workplace. MGNREGA not only decreased unemployment but also develops rural development. MGNREGA is blessing for rural unskilled women and men workers for improving their livelihood and fulfill their necessity wants for their families.

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