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# ORIGINAL ARTICLE

## **Mgnrega-issues And Challenges**

## Bhurelal Patidar<sup>1</sup> and Dinesh Gupta <sup>2</sup>

<sup>1</sup>Professor in commerce, Govt. s.k.p. college DEWAS (M.P.) <sup>2</sup>Professor In Commerce Atal Bihari Govt. Arts Commerce College Indore (M.P.)

#### **ABSTRACT:**

Large-scale social safety net programs such as India's National Rural Employment Guarantee Act (NREGA) are difficult to implement due to governance challenges related to elite capture, leakages, and corruption. The ability to identify how the governance challenges of program implementation can be met requires detailed insights into the actual process of program implementation, with clear views on the source of leakage and mismanagement, the sensitivity of program implementation to the influence of different actors, local power structures and informal bureaucratic processes. This paper uses a new participatory research method, referred to as Process-Influence Mapping, to shed light on these issues and related governance challenges, using the implementation of NREGA as an example. The Process-Influence Mapping tool helps identify the specific features of the NREGA implementation process that limit the program's effectiveness (for example, elite capture in the definition of work and capacity limitations due to staff shortages and lack of training) and create scope for the misappropriation of funds. The insights gained can be used to identify policy options for reforming the administrative process of NREGA implementation so as to create an effective social safety net.

# INTRODUCTION-

The National Rural Employment Guarantee Act (NREGA), enacted by the Government of India in 2005, is perhaps the most ambitious anti-poverty scheme launched anywhere in the world.

## ISSUES AND PROBLEMES--

# $(1) Poor\, administrative\, and\, planning\, skills$

Under NREGA, villages are the basic unit of planning. Panchayats (the village local bodies) are required to prepare project estimates that involve extensive mapping of village resources and making an annual plan every year to identify works that can be taken up for local resource improvement. However with limited skill in planning, resource management, handling of monetary resources and poor leadership

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skills, village Panchayats fail to implement the scheme in the desired manner.

Since it involves rigorous planning and resource management, many Panchayat members are hesitant to implement NREGA as it greatly increases their workload. In many places, Rozger Sevaks have been appointed to advise gram panchayats, to provide technical inputs, preparing the budget or village level planning needs, but they themselves are not trained adequately.

Even the report by the Comptroller and Auditor General (CAG) has highlighted the lack of administrative capacity of the village panchayat members to run this scheme in the desired decentralized manner. It also focused on the need to build this capacity quickly and effectively. The CAG report highlights the deficiency of adequate administrative and technical manpower at the Block and Gram Panchayat (GP) levels, especially at the Programme Officer, Technical Assistants, and Employment Guarantee Assistant level. "The lack of manpower adversely affected the preparation of plans, scrutiny, approval, monitoring and measurement of works, and maintenance of the stipulated records at the block and GP level. Besides affecting the implementation of the scheme and the provision of employment, this also impacted adversely on transparency", said the report.

It is well known that employment schemes have high administrative costs. However administrative cost under NREGA has been kept low. This must be increased. There is an urgent need to ensure more administrative assistance for the programme at all levels, which means both resources and personnel devoted to the actual implementation, monitoring and financial management of the programme. Much needs to be done to strengthen village-level planning. Panchayats need to be equipped with the necessary personnel and funds for effective implementation of the programme.

#### (2)Inadequate awareness

NREGA is a rights based programme, which guarantees 100 days of employment to poor household in rural areas. However due to poor awareness among rural population, people are not aware about their basic entitlements such as job cards, minimum wage amount, minimum number of employment days, unemployment allowance, etc. Even Panchayats, Rozgar Sevaks and block development officers are ignorant about all the details of the scheme. They are poorly informed about various processes like registering household, forming vigilance committees, making muster roll, etc.

Under NREGA there is a provision of unemployment allowance in case the local authorities fail to provide employment, however there is a widespread ignorance about how to avail the allowance. Sometimes even the officials deliberately do not give out this information as they fear punishment for not providing jobs.

Poor awareness not only leads to corruption but also to poor management of the scheme and thus true potential of NREGA is not being realised. At the local level, officials have made inadequate efforts to raise awareness about the scheme. The government must carry out an intensive training and awareness-building programme to make the officials and citizens fully aware of all the details of the programme. People at the grassroots level must be made aware of Right to Information (RTI) Act and be encouraged to use it.

## (3)Plagued with discrimination

NREGA has provided a unique opportunity to people from rural India to earn their own income without any discrimination of caste or gender. Most remarkable feature of NREGA is that it pays women the same as men, something that was virtually unimaginable in rural India. However cases of discrimination against women and people from backward groups are reported from several regions of the country. Some states such as Kerala and Andhra Pradesh have registered high percentage of women workers getting enrolled in the scheme whereas others have registered a very low percentage of women availing benefit under NREGA.

It has been reported that in some regions few job cards are issued when the applicants are women, or there are delays in the issue of cards. Women are sometimes told that manual labour under the NREGS is not meant for women. Women are told that they could not participate in ongoing works as it entailed digging and removing soil. Sometimes workers are expected to bring their own tools, such as spades and shovels and this becomes difficult for women carrying infants. Moreover lack of facilities such as drinking water, a crèche at the worksites, etc adds to the problems of the women workers.



No specific tasks for women have been identified. More thought must be given to ensuring that a larger number of women get work which they can do easily. Also facilities like drinking water and crèche must be ensured at the worksites.

#### (4)Corruption and irregularities

There are several cases of fake muster roll entries, overwriting, false names and irregularities in job cards. Even the names of dead people have been entered in the muster rolls. Similarly, the names of people who have not registered often feature in the muster rolls, or the same name is repeated more than once. There are cases of payments being made without taking the worker's signature. In most of the States there is a huge gap between job card distribution and actual provision of employment. In Madhya Pradesh more job cards have been distributed than the number of households and only 35 per cent of rural households actually received some employment under the scheme

There should be a strict enforcement of transparency safeguards. Muster rolls must be kept at the worksite, job cards must be regularly maintained, wages be paid in public, implementation agencies should be separated from payment agencies, formation of vigilance committees should be done, muster roll record must be verified periodically etc. Also, Panchayats must be directly involved in making payments.

Lack of credible and participatory social auditing with active people's participation is a major problem. Government must encourage independent auditing through CSOs and academic experts.

#### (5)Delay in payment of wages

According to the NREGA guidelines, payments for the work should be made within 14 days of the completion of the work. However delay in payment and incorrect payments are a common problem under NREGA. This delay can be from several weeks to sometimes months. Often workers have to make several visits to the post office or the co-operative bank only to find that their wages have not been credited into their accounts. Sometimes delay is also caused because works are carried out without proper approval and thus the payment is withheld.

Government must ensure easier availability of funds through a backup fund at the district level. There must be a provision of compensation for any delay in payment. In case of delay in payments workers must be compensated as per the Payment of Wages Act of 1936. There is only one instance where compensation was paid to the workers only after the intervention of the social activists. There must also be an independent grievance redressal system under NREGA.

# CHALLENGES IN CREATING USEFULASSETS--

So far, works related to rainwater harvesting and conservation, desilting of canal distributaries, desilting and renovation of old ponds/tanks and digging up of new farm ponds are mainly being carried out under NREGS. There is a need of improvisation in creating/identifying new employment opportunities and dovetailing various programmes run by the Central and the State Governments with NREGA.

Importance should also be given to afforestation under NREGA by linking it to other forestry programmes. Rural Sanitation is another area which can be dovetailed with this programme. This will also help in the rural health policy and achieving the goals of National Rural Health Mission (NRHM).

Several works that were taken up under NREGA remain incomplete even after two years of their start. Since there is no provision to factor in the completion of work in the overall planning, state governments have initiated a large number of new works and abandoned the old incomplete works midway. In many states, buildings and other structures built under the programme were washed away during monsoons. This led to enormous wastage of financial and human resources. Completion and maintenance of works under NREGA should be made compulsory.

Success of NREGA should not only be assessed in terms of employment provided but also the asset created. Village development through productive asset creation should be made an important objective of this scheme. Premium wage must be provided for development programmes. This will ensure that work done is completed and is useful.

With so much money involved in this scheme the government should take serious measures to see that the money is utilised to create assets villages, thus bringing about a real change in the rural economy.



Record of the assets created under NREGA must be maintained at the district headquarters. A national/state level audit needs to be done to see what all productive work has been done under NREGA.

#### PROBLEM OF LABOUR AVAILABILITY AND INFLATION

Many economists attribute increasing labour scarcity in agriculture, rising food price and inflation to NREGA. NREGA has no doubt raised rural daily wage rates, reduced migration and led to several other positive social effects in rural India. But at the same time it has also contributed to rising farm input costs, withdrawal of labour from the farm sector and therefore impacted agricultural operations and food prices. Farmers in Punjab and Haryana now find it increasingly difficult to get labour and are left with no other choice but to increase the wage rate to attract the labourers.

High labour costs due non-availability of labour is resulting in high cultivation cost and thus leading to higher food prices. Many critics feel that by focusing on the employment and not on the production, the scheme merely redistributes the proceeds of a limited production. The scheme no doubt inflates demand but, without corresponding increase in production of useful asset, leads to inflation.

Minimum wage under NREGA should be cautiously increased keeping in view its impact on other unorganised sectors, especially agriculture and that it must be ensured that it is targeted at only the really poor and needy. Possibilities of NREGA being dovetailed with the farming activities, so as to minimize its adverse effect on agriculture, should be explored.

The constructive impact of the 100-day employment guarantee must be confined strictly to months when there is no harvesting or sowing activity so that it does not affect agriculture adversely. With the rural workforce drawn into this scheme the mechanisation and modernisation of agriculture needs to be focused upon.

Government must study the impact of NREGA on various other sectors and take corrective measures so as to ensure that this programme doesn't exacerbate the problem of food price rise and inflation.

### CONCLUSION-

We must understand that NREGA cannot be a long-term solution to the unemployment problem of rural India. A comprehensive and a more sustainable solution that creates large-scale self-employment opportunities in the secondary and tertiary sectors in the rural areas, stimulates demand and last but not the least, increases rural productivity still need to be found.

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