

## **Effectiveness of MGNREGA on Rural Employment in Assam**

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### **Abstract**

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is one of the major employment generating programs to address the unemployment problem in rural India. The act was enacted on 25th August 2005 and came into force on 2nd February 2006. In Assam, this act was introduced in the financial year 2006-07, and as the first phase, it covered only 7 districts of the state. Later it was expanded to all the districts of the state by the financial year 2008-09. The act came with the main objective to ensure livelihood security among the rural mass by providing at least 100 days of job security in every financial year. It is seen that till date the majority of the rural people of Assam directly or indirectly related to agriculture for their livelihood, due to which it creates problems like disguised and seasonal unemployment. Available literature shows that some extent MGNREGA have got success by reducing unemployment by providing working days to the majority of the unskilled and illiterate people of the state living in rural areas. Based on the secondary data, the present study tries to examine the effectiveness of MGNREGA on employing the rural people of the state, as well as to analyze the various challenges to meet its goal.

**Keywords:** Assam, effectiveness, MGNREGA, rural employment

### **1.Introduction:**

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) enacted on 25<sup>th</sup> August 2005 and came into force on 2<sup>nd</sup> February 2006 is one of the major employment generating Programmes initiated by Government of India. The main objective of the act is to promote rural livelihoods and thereby to raise the standard of living of the rural people. The act marked as a paradigm shift to the right based approach and aimed to enhance inclusive growth where the issues like quality of the environment and rural-urban migration are greatly concerned. The first phase of implementation of the act was done in the financial year 2006-07 where 200 districts of the country and seven districts of Assam had covered. Later by the financial year 2008-09, all the districts of the country came under the purview of the act. MGNREGA ensures 100 days of employment guarantee through sanctioning of Job Cards to the rural people who are entitled to get it. But in case of Assam out of the total beneficiaries who are possessing job cards, only a few got 100 days of work, while some did not get any work at all (Saikia, & Borah, 2017). According to the latest data updated by the Ministry of Rural Development Government of India by August 2020 total number of 53.18 lakh job cards issued in Assam, whereas only 30.38 lakhs active job cards are found. As against this total, 45.77 lakhs active workers exist till date. To evaluate the effectiveness of MGNREGA on rural employment in Assam, several

researchers have been working on this topic from time to time. In this regard Saikia et al, who had made a study about the impact of MGNREGA on rural livelihood in Assam, and found that the pace of village assets creation and promotion of standard of living of the rural people in Assam through MGNREGA is not remarkable as in the national level. It is due to the reason of faulty implementation of the Programme in the state. Again, the same result had drawn in the paper titled “Manifesting Livelihood: The Role of MGNREGA in Assam” by Pankaj Bora (2013) and came up with the conclusion that improper implement process, low wage rate, a decline in fund allocation, improper use of funds are the main reasons for the slow momentum of MGNREGA in Assam. Instead of these some other researchers found a positive outcome in terms of generating rural employment through the implementation of MGNREGA. A study was made by Anindita Barman and Ruma Debnath in 2020 to find out the role of MGNREGA in rural employment, but they limited their study with a village and found that MGNREGA has been playing a pivotal role in employment generation and developed standard of living in that particular village. In another study made by T. Deka in 2015 found that MGNREGA has a positive relation in rural employment in Assam that it acts as a game-changer in the field of economic and rural development in the country.

According to a conference paper published by the Effective States and Inclusive Development Research Centre, the University of Manchester titled “Success and failure in MGNREGA implementation in India”, that there is no single route to better MGNREGA implementation; different states have emphasized different dimensions of capacity and commitment, with varying levels of success. Indicating that a state with higher economic, organizational and human resources as well as its capacity to touch every possible beneficiary could place her name in a better position in terms of successful implementation of MGNREGA. Existing works of the literature showed a particular state with a strong interpretation of the MGNREGA from ground level facilitated the involvement of all sections of the rural people and led to higher public awareness. And those state who have been utilizing their capacity to provide more autonomy to bureaucrats have better employment outcomes. If we consider the pattern of employment outcomes in the poorer states through MGNREGA, then we could find that poorer states like Assam have worse employment outcomes, (Himanshu and Kunal Sen, 2013).

Based on the secondary data, in this paper, we would like to analyze the effectiveness of the MGNREGA on generating rural employment in Assam, as well as the various challenges in case of the successful implementation of the Programme in the state.

**2. Objectives of the study:** The present paper aims to analyze the following two objectives:

1. To analyze the effectiveness of MGNREGA on rural employment in Assam.
2. To analyze the various challenges in the path of successful implementation of MGNREGA in Assam.

**3. Methodology and data sources:** The present study is completely based on secondary data. Different research articles are used to make a descriptive study about the effectiveness of MGNREGA on generating rural employment, as well as to discuss the various challenges of successful implementation of MGNREGA in Assam. Data related to the detail of MGNREGA and progress of MGNREGA in Assam are taken from Ministry of Rural Development Government of India's website. Apart from its Census data 2011 also used in the paper.

**4. An analysis of the effectiveness of MGNREGA on rural employment in Assam:**

MGNREGA was introduced to ensure livelihood security by providing employment opportunities to the rural people and to improve rural infrastructure in India. In Assam also the programme was launched to fulfil this central objective. As the first phase MGNREGA covered only 7 districts of Assam in the financial year 2006-07, and later by the financial year 2008-09 it covered all the 27 districts of the state. But at present due to

extension of the administrative districts of the state, now it covers 32 districts. The following table depicts the detail of the implementation of MGNREGA in Assam:

Table:1 Details of MGNREGA in Assam

Total number of districts in Assam as on 20-08-2020	32
Total number of blocks in Assam as on 20-08-2020	239
Total number of GPs in Assam as on 20-08-2020	2673
Total No. of Job Card Issued (in lakhs)	53.54
Total No. of workers (in lakhs)	91.38
Total no. Active Job cards (in lakhs)	30.46
Total no. of active workers (in lakhs)	45.91
SC workers against active the worker (in %)	4.78
ST workers against active the worker (in %)	16.43

Progress	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Person days generated so far (in lakhs)	210.95	486.33	463.98	480.86	532.84	624.12	218.47
SC person-days % as of total person-days	6.07	5.23	4.74	4.52	5.14	4.72	4.26
ST person-days % as of total person-days	15.16	18.75	19.92	15.28	20.04	17.6	15.62
Women person-days % as of total person-days	28.13	33.59	36.49	38.5	41.08	41.77	42.12
Average days of employment provided per household	21.81	32.37	29.59	28.54	30.59	32.32	20.26
Total no. of households completed 100 days of wage employment	10449	42233	11297	10928	18360	30066	1436
Total Households worked (in lakhs)	9.67	15.02	15.68	16.85	17.42	19.31	10.78
Total individuals worked (in lakhs)	12.24	21.73	23.29	26.04	24.6	27.76	14.39
Differently-abled person worked	1466	3738	5554	7844	5572	5481	2476

Source: MGNREGA 2005, Ministry of Rural Development Government of India

From the data presented in the table, it is found that there exist 32 districts in Assam, where 239 blocks and 2673 GPs found. As on August 20, 2020, the total number of 53.54 lakhs job card issued to the targeted beneficiaries. But unfortunately, only 30.46 lakhs active job cards are found as against the total of 91.38 lakhs workers that covered under the programme. It can be analysed that, out of the total job cards issued to date only 56 % of them are being utilized properly. Besides, the number of active workers under the programme is just half of the total workers. Thus, we can conclude that though this programme covered a huge portion of the total unskilled rural workers of the state, the proper utilization of the programme is not done that it can't generate employment opportunities to all the workers covered under the programme.

To analyse more effectively about the effectiveness of MGNREGA on generating rural employment, it will be far better to discuss the progress of MGNREGA in the state, the following table presented data about the detail of progress of the programme in Assam from the period 2014-15 to 2020-21:

Table.2: Progress of MGNREGA in Assam from 2014-15 to 2020-21

Source: MGNREGA 2005, Ministry of Rural Development Government of India

From the Table 2, it is found that the no. of person-days generated in every subsequent financial year (FY) were increasing, except the present financial year 2020-21, it might be the reason of present Covid-19 crisis. The SC and ST person-days as the percentage of the total person-days have shown a fluctuating nature and it is more or less same from 2014-15 to 2020-21. Whereas it is seen that, women person days have been increasing during this period, it is the result of more involvement of women participation in MGNREGA and due to the improvement of women empowerment. Not only MGNREGA brings more women in total workforce participation but it also led to higher involvement of differently-abled person into the total workforce of the state. Which signifies that MGNREGA has been putting effort to provide more employment generation to the unskilled labourer of the state. Though MGNREGA has brought a positive outcome to the women and unskilled labourers of the state, but the no. of households completed 100 days of wage employment have not shown an increasing trend rather it fluctuates heavily during this period of 2014-15 to 2020-21. In contrast to the no. of households completed 100 days of wage employment in the financial years between 2014-15 and 2020-21, the no. of total households and individuals worked between this timeframe have shown a trend of a slight increase. But this amount of coverage of the total rural households of the state is not satisfactory, because the rural population of the state accounts 15.35% of decadal growth of the total population of the state (Census data, 2011).

## **5. Challenges in the path of successful implementation of MGNREGA in Assam:**

Though MGNREGA has been playing a pivotal role in the generation of rural employment in Assam by employing the vast mass of rural unskilled and illiterate people in the state, but it is not free of the challenges that give its implementation process a slow momentum.

**5.1 Underemployment:** Out of the total job cards holders in the state, a few could get 100 days of wage employment in a year. According to the data found in the MGNREGA 2005, Ministry of Rural Development Government of India, that from the total of 30.46 lakhs active job cards 10.78 lakhs households and 14.39 individual workers have participated in the works in the present financial year 2020-21. Factors like: lack of worksite facilities according to the programme's guidelines, and the faulty implementation process of the programme are responsible for underemployment of the job cardholders in the state. Besides these, the present

lockdown process also pushed the workers to remained out of the works, consequence declined in the participation of individuals and households' workers in the programme.

**5.2 Anomaly in job cards sanctioning:** The biggest problem arises in case of successful implementation of MGNREGA in the state is no proper verification is done in the time of sanctioning the job cards and assigning the works (Saikia et al. 2017). Where the problems like inclusion and exclusion errors emerged, and the possible beneficiaries have to deprive of the getting job cards. Even some extent children used their parent's job cards.

**5.3 Delayed wage payment:** One of the major problems that emerged to generate rural employment through the MGNREGA is the delayed wage payment in the state. The study of Saikia et.al regarding Impact of MGNREGA on rural livelihood in Assam in 2017 found that only 29.1% beneficiaries of the study area received wage payment within the month. Irregularities in the wage payment discouraged workers to participate in the works. Especially delayed in the wage payments discouraged women workers more than the male workers, particularly to the single women if they solely earn for their families.

**5.4 Lack of awareness among the rural people:** In most of the cases in the state it is found that the rate of women participation is low, though the participation rate of women is increasing. It is due to the reason of the lack of awareness about the process and entitlements of the programme. Besides, majority of the rural people are unaware about the process of claim to get at least 100 days of wage employment and about the procedure of Social Audit Forum that must be done by Gram Sabha on MGNREGA's works on a 6-month basis.

Besides all of these, lack of knowledge of the rural people about the redressal of grievances, non-availability of child care and raring facilities, involvement of the contractors who directly affect the beneficiaries stand as the severe challenges in case of successful implementation of MGNREGA in Assam.

## **6. Conclusion and policy Suggestions:**

MGNREGA has been providing livelihood security to the vast mass of rural unskilled and illiterate people of the country from its beginning. It transformed a significant number of rural people from farming activities to non-farm activities and reduced the extent of the problem of disguised and seasonal unemployment. But in Assam, it is not succeeded at the extend that it deserves, and lagging in terms of successful implementation of the programme. From the findings of the paper, it is also found that the programme couldn't ensure employment opportunity to the unemployed people of the state in a large scale, because of the faulty implementation process, faulty method of wage payment, the large intervention of the contractors, anomaly in job cards sanctioning etc. Moreover, the possible beneficiaries don't have complete information about the objectives and procedure of the programme and result in poor employment outcome of the programme in the state.

To mitigate all the challenges and to make the successful implementation of the programme in the state, it is required to review the programme and execution frequently, and steps should be taken instantly without any delay to solve all the loopholes of the programme. Efforts should be made to increase people's awareness on the part of the provision of the programme. Again, state government must be more active to find out all the defaults and should monitor the programmes from the ground to the top levels. In addition to it, local governments must be provided complete freedom to plan works and run the programme effectively. Again, the MGNREGA has a lot to do to strengthen the Panchayati Raj and to reduce the intervention of the other agencies associated with it, which might be a better alternative to promote the efficiency of the implantation process of the programme in the state.

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