

## NREGA Reforms

### What is the issue?

In reforms to the National Rural Employment Guarantee Act, an administrative and fiscal efficacy-alone focus would be a flaw.

### What is MGNREGA?

*In financial year 2018-19 MGNREGA has covered 30% of India's rural population.*

- **MGNREGA** - The Mahatma Gandhi National Rural Employment (MGNREG) is the largest public employment program in the world.
- It is implemented by the **Ministry of Rural Development** in India.
- It is based on an Act (MGNREGA) passed in 2005, which makes a legislative commitment to provide **right to work**.
- **Aim** - To enhance the livelihood security of people by guaranteeing **100 days** of wage-employment in a financial year to a rural household whose adult members volunteer to do **unskilled work**.
- The act also seeks to create durable assets and the categories of MGNREGA public works activities include
  - **Category A** - Natural resource management (Irrigation canal)
  - **Category B** - Individual assets for vulnerable sections (House construction or Refurbishment)
  - **Category C** - Common assets and infrastructure to promote agricultural productivity (Poultry shelter)
  - **Category D** - Rural infrastructure (Foot bridge)
- **Features** - Wage levels are set at the statutory minimum wage.
- Assets developed under MGNREGA are **geo-tagged** and displayed on a public website, **GeoMGNREGA**, to enhance transparency.
- Roughly **one-third** of the stipulated work force must be **women**.
- Under MGNREGA, work should be provided within 15 days of demanding work failing which the workers are entitled to an **unemployment allowance**.
- The **Gram Sabha** is the principal forum for wage seekers to raise their voices and make demands.
- **Social Audit** of MGNREGA works is mandatory, which lends to accountability and transparency.

MGNREGA proved successful in giving equal opportunities to marginalized groups:



more than  
**50%**  
of the workers  
employed are  
women.



almost  
**50%**  
of workers  
employed belong  
to marginalized  
castes or tribes.

### What is the case about?

- The Central government has constituted a committee headed by former Rural Development secretary **Amarjeet Sinha** to review the implementation of the MGNREG Scheme.
- **Functions of the Sinha Committee** - The committee especially assesses the programme's efficacy as a poverty alleviation tool.
- The committee will study the various factors behind demand for MGNREGA work, expenditure trends and inter-State variations and the composition of work.
- It will suggest changes in focus and governance structures to make MGNREGA more effective.

### What must the committee look into?

- **Address the delays in wage payment** - The committee must look into the issue of addressing the delays in wage payments to restore the faith of workers in the programme.
- In 2016, the Supreme Court directed the government to ensure that wages were paid on time, calling the act of making workers wait for wages for months as equal to "forced labour".
- **Strengthen the implementation capacities** - There is a need to strengthen implementation capacities where expenditure is low instead of curbing expenditure where employment generation is high.
- According to the Economic Survey 2016, States which are spending more are implementing the programme better because they have better capacities.
- There has to be a focus on exclusion and not inclusion "errors".
- Instead of using expenditure and income poverty as the only markers, exclusion must

be identified at the household level.

- Panchayats where employment of SCs and ST families is lower than their proportion in the population, where the average wage is paid lower than the notified wage rate, etc. must be identified.
- The online Management Information System of NREGA can flag areas where entitlements are violated.
- **Demand-based law** - Intermittent and unpredictable fund releases by the central government is one among the reasons why State governments are unable to ensure the full potential of NREGA.
- Hence, it is needed to run the programme like a demand-based law, and not a scheme.
- **The Kaam Mango Abhiyan** was launched by the Ministry of Rural Development in 2013, which literally means “**ask for work**” which led to the demand for work in Bihar’s Kathiawar district.
- **Participatory discussion** - NREGA emerged from the demands of a vibrant peoples’ movement across India and its cornerstones have been its path-breaking provisions for public accountability.
- There has to be a leveraging of consultative processes and forums, such as the State and Central Employment Guarantee Councils.
- **Impact of reforms** - There must be an attempt to map the impact of each of its reforms on access to and the expenditure of NREGA, particularly in poorer States.
- A slew of reforms such as the electronic fund management system, geo-tagging of assets and a [national mobile monitoring system \(NMMS\)](#) are often plagued with technical disruptions.
- Reforms to NREGA must prioritise the access of workers to entitlements with ease and dignity, rather than focus on administrative and fiscal efficacy alone.

## References

1. [The Hindu | In NREGA reforms, prioritise the worker and her dues](#)
2. [Vikaspedia | Overview of MGNREGA](#)
3. [SPEC | Mahatma Gandhi National Rural Employment Guarantee Act](#)