

# **Survey findings on MGNERGA**

### Why in news?

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Institute of Economic Growth (IEG) survey has pointed few areas of failures in the MGNREGA.

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#### What is MGNREGA?

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 Mahatma Gandhi National Rural Employment Generation Act, is an Indian labour law and social security measure that aims to guarantee the 'right to work'.

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- It aims to enhance livelihood security in rural areas by providing at least 100 days of wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work.
- Employment is to be provided based on demand and within 5 km of an applicant's residence, and minimum wages are to be paid.
- If work is not provided within 15 days of applying, applicants are entitled to an unemployment allowance.
- The budgetary allocations for the scheme is shared by the Centre and states on a 75:25 basis.

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• There is a steady annual increase in the budgetary allocations to MGNREGA, which touched a record Rs 48,000 crore in 2017-18.

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## What are the positive findings of the report?

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- In the past few years, many villages shifted their focus towards taking up soil and water conservation works under this scheme.
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- As a result, there is an 11.5% increase in the productivity of cereals and a 32% rise in the case of vegetables in areas where water-conservation assets have been created.

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- Rural income has risen by 11% in these areas.
- 160 crore man-days had been generated under the MGNREGA, in the 2017-18 fiscal.

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### What are the negative findings on MGNREGA?

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 Average wages earned by MGNREGA workers in many regions were lower than market rates.

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- Migration from rural areas has continued in about 80% of the surveyed districts, in others it has dipped only marginally.
- $\bullet$  Low wages and an inadequate number of days of assured employment are reasons for migration of rural population for jobs.  $\mbox{\sc h}$
- $\bullet$  There have been rampant malpractices, leakage of funds and diversion of resources to other sectors by state governments.  $\mbox{\sc h}$
- $\bullet$  Instances of huge use of fake job cards and fake entries in job sheets has been found, in many cases people had multiple cards to draw extra benefits. \n

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**Source: Business Standard** 

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