15 Years In:
The MGNREGA Story
1.0 Introduction

Key Highlights

• MGNREGA has its roots in previous civil society demands for the Right to Work and the Right to Information.

• Several civil society organisations played a central role in drafting and then guiding the implementation of this legislation.

• The nature of the provision of work as a right/ an entitlement and not a benefit is because of the influence of civil society.

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), which began as the National Rural Employment Guarantee Act (NREGA), is one of the most pivotal legislations passed by the Government of India. In 2005, MGNREGA, along with the Right to Information Act, marked the importance of rights-based legislation in India, and secured the crucial rights to work and accountability for citizens in the Constitution.

When first implemented, it was very controversial, for many considered it to be too ambitious in scope and a potential drain on the fiscal capacity of the Indian state. Before the World Bank lauded it as the world’s largest social security scheme, they cautioned against it, calling it a “barrier to development”. Over time, however, MGNREGA has emerged as one of the strongest social security nets for the rural poor in India.

In the 15 years since MGNREGA (the Act) and MGNREGS (the scheme) has been implemented, many changes have taken place, and multiple studies have been conducted to examine if the scheme is meeting its objectives. Numerous stakeholders have participated to make the scheme reach where it is today. It must be acknowledged that the MGNREGS is unprecedented in India in terms of the level of transparency and inbuilt scrutiny it allows through real-time


2 An important aspect to note is the distinction between the Act, which guarantees citizens certain rights, and the scheme (MGNREGS) prescribed within the Act, whose provisions and mechanisms ensure that these Rights are meaningful and are delivered.
public disclosure of data. However, there are still gaps in implementation, transparency, and accountability that need to be addressed.

This paper outlines the origins and history of the Act, followed by the Act’s nuts and bolts that constitute its structure and implementation framework. The achievements of the scheme are then profiled. Subsequently, the role of various stakeholders is laid out, with a special emphasis on the role of civil society organisations in implementing MGNREGA as they have a unique status enshrined in this Act. This is followed by an evaluation of the scheme’s efficacy over the last 15 years, followed by a case for its renewed relevance in the context of the COVID-19 pandemic. The paper then concludes with recommendations for the road ahead and what must be considered when looking to grow and strengthen the scheme further.

2.0 Origin and Rights Under the Act

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)’s origins lie in sustained activism by citizens and civil society groups on the issues of transparency and accountability in wage payments through government schemes, and the availability of employment in rural areas. In the early 2000s, the demands for a Right to Work in rural areas emerged in tandem with demands and campaigns for the Right to Information. Several organisations and people played key roles in championing both these causes, especially the Mazdoor Kisan Shakti Sangathan (MKSS) led by Aruna Roy and Nikhil Dey; organisations within the Right to Food Campaign and the National Campaign for People’s Right to Information; the eminent social activist Harsh Mander; renowned development economist Jean Drèze, and many others. MKSS’s initial efforts at organising workers working on government drought relief programmes spearheaded the way for sustained activism that led to the creation of MGNREGA. The MKSS, with other like-minded organisations, had built upon an older demand for the extension of work guarantee, which arose from the existence of the Maharashtra State Employment Guarantee Act (1977). From this widespread campaign emerged a demand for a National Rural Employment Guarantee Act (NREGA) as a legal entitlement. The slogans “Har haath ko kaam do” (Give every pair of hands work), “Kaam ka poora daam do” (Full wages for work done), and “Poora kaam, poora daam (Get complete work, give complete wages)” conveyed the spirit of the Right to Work that was envisaged – one which guaranteed workers decent work, full wages, and dignity for tasks performed with diligence. The individual stakeholders also served on the National Advisory Council (NAC) under the successive UPA governments in 2004-2008 and 2009-2013, and were instrumental in shaping the core structure of the National Rural Employment Guarantee (now MGNREGA) Act, as well as serving as advocates for the people in the governing process. While some eventually left the NAC over differences with the government for not making MGNREGA wages equal to the minimum wage ³ and not ensuring proper implementation at the last mile, they continued to contribute

³ Different states have different wage rates, and MGNREGA wages stand separate from the minimum wage rates for the agricultural sector. The mechanism of how wages are determined have been detailed later in this paper.
Participatory Research in Asia through sustained engagement with the government and the legislature to ensure MGNREGA retained its rights-based approach. Civil society stakeholders have thus played a key role in the genesis of this Act, and in laying down the policy-planning and monitoring process that followed.

The first words in the official text of MGNREGA are:

“An Act to provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work and for matters connected therewith or incidental thereto.”

The core objectives include:

- Providing a minimum 100 days’ work as per demand, and creating productive assets of prescribed quality and productivity to enhance rural infrastructure
- Strengthening the livelihood resource base of the poor
- Proactively ensuring social inclusion
- Strengthening Panchayat Raj Institutions (PRIs)

As highlighted in the initial quote, the mandate of the Act is to provide 100 days of guaranteed wage employment in a financial year (FY) to every rural household whose adult members volunteer to do unskilled manual work.

2.1 Registration and Application

All adult members of a rural household willing to do unskilled manual work may apply for registration. Since MGNREGS is a demand-based scheme, application for work is crucial to ensure access to the scheme. The unit for registration is a household. A written/oral application seeking work can be made to the Gram Panchayat (GP) or block office, stating the time and duration for which work is sought. The GP will issue a dated receipt of the application for employment, and workers must be provided employment within 15 days of that date.

2.2 Days of Work

Under the Act, each household is entitled to 100 days of employment every year. The Forest Rights Act land beneficiaries are entitled to 150 days of employment. In states like Rajasthan, communities like the Sahariyas have been given an entitlement of 200 days. Additionally, starting in 2015, the Central Government has provided an additional 50 days of work to people in drought-hit and natural calamity affected areas on a year-by-year basis. This has continued into 2020.

2.3 Job Cards

After due verification of place of residence and age by a local panchayat official, typically the Rozgar Sevak (employment officer), a registered household is issued a job card. The card forms the basis of identification for demanding employment, and must

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4 A household is defined as members of a family related to each other by blood, marriage or adoption, and normally residing together and sharing meals.
be issued within 15 days of registration. Each job card has a unique identification number, and the demand for employment in the GP or at the block-level has to be made against the job card number. Job cards are also supposed to be updated by the Rozgar Sevak with days of work and payments made to the beneficiary as and when the work is undertaken.

2.4 Unemployment Allowance

In case work is not provided within 15 days of the date from which demanded, the State (as per the Act) must pay an unemployment allowance to the beneficiary.

2.5 Provision of Work

Work must be provided within a 5 km radius of the village. In case work is provided beyond this radius, a transportation allowance of 10% of the daily wage rate must be paid to meet additional transportation and living expenses.

Priority is given to women, such that at least one-third of the beneficiaries under the scheme are women. At least 50% of the works in terms of cost are to be executed by the GPs. 60% of the costs incurred have to be on agriculture related works.

2.6 Wages

The wage rate is notified state-wise by the Government of India and this is indexed to the inflation as measured by the Consumer Price Index (AL). Wages are also to be paid according to piece rate, as per the Schedule of Rates (SoR).

Key Highlights

- The principal objectives of MGNREGA are
  - Providing a minimum 100 days’ work as per demand, and creating productive assets of prescribed quality and productivity to enhance rural infrastructure
  - Strengthening the livelihood resource base of the poor
  - Proactively ensuring social inclusion
  - Strengthening Panchayat Raj Institutions (PRIs)

- Citizens’ rights and entitlements under MGNREGA
  - The right to get job card
  - The right to demand work and get it
  - The right to unemployment allowance
  - The right to plan and prepare the shelf of projects, through participation in gram sabhas
  - The right to obtain work within the radius of 5 km of the village
  - The right to work facilities
  - The right to receive wages within 15 days
  - The right to compensation for delay in wage payment
  - The right to time-bound redressal of grievances
  - The right to conduct concurrent social audit and social audit

- Gram Sabhas, Gram Panchayats, and other PRIs play a nodal role in implementing MGNREGS by design – as the stakeholders involved in designing MGNREGS also saw the scheme as an opportunity to further strengthen the role of PRIs in rural governance.

5 The details of the productivity norms are listed in the Schedule of Rates (SoRs). SoRs are calculated through Work Time and Motion Studies. SoRs under the Act have to be such that an average person working for nine
2.7 Timely Payment

Payment of wages has to be done on a weekly basis and not beyond a fortnight. As per the schedule amendment in 2011, it is mandatory for wage payment to be done through individual/joint bank/post office beneficiary accounts. The Act mandates that it is the obligation of the state to address a delay in payments for the works, if any.

2.8 Planning

Plans and decisions regarding the nature and choice of works to be undertaken in a financial year are to be decided in open assemblies of a Gram Sabha. Works can also be identified at the block and district levels, which have to be approved and assigned priority by the Gram Sabha before administrative approval can be given.

2.9 Cost Sharing

The Central Government bears 100% wage cost of unskilled manual labour and 75% of material costs, including the wages of skilled and semi-skilled workers and administrative costs at 6% of the total expenditure. The state government meets the rest of the expenditure.

2.10 Work Site Management

To ensure maximum direct benefits for workers, the Act prohibits the use of contractors or machinery. Further, maintaining the focus on wage employment, MGNREGA mandates that the ratio of wage expenditure to material expenditure in the total cost of works undertaken in a GP should be 60:40. Facilities such as crèches, drinking water, and shaded areas have to be provided at all worksites.

2.11 Transparency and Accountability

Transparency and accountability in the programme is ensured through:

- A social audit⁶ to scrutinise all the records and works under the scheme, which must be conducted once in six months in every GP. Social audits must be conducted as prescribed in the Audit of Scheme Rules 2011.

- Every district should have an ombudsman who is mandated to receive complaints, verify them and pass awards which are to be complied with by the administration. This is typically performed by the Programme Officer at the block level in the district administration.

- Proactive disclosure of all information regarding the implementation of the Act using the web portals NREGASoft and the Management Information System (MIS).

2.12 Works and Convergence

The Act provides a list of works⁷ that can be undertaken to generate employment. Initially, these were related to water conservation, drought proofing, land development, and flood control and protection. Over time, the government recognised the need to expand the number of works so as to enable creation of adequate infrastructure to meet all the needs of

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⁶A social audit is an audit that is conducted jointly by the government and the people, especially those who are the intended beneficiaries of the scheme or programme being audited.

villages, as well as to meet the demand for jobs. The government also recognised how the goals of MGNREGA converged with other schemes, hence in 2009, the first advisory allowing for resource sharing between Ministry of Agriculture schemes and MGNREGA was issued. Over time, this was expanded, and 2014-15 was declared the year of convergence. During this year, the objective of convergence was expanded to “optimize public investments for creating durable and productive assets and securing livelihood of rural households through convergence of MGNREGA works with the resources of other programmes/schemes available with Panchayat and Rural Development Department and other Line departments.”

Multiple circulars and advisories have been issued over time to expand the list of works that can be funded and recruited for through MGNREGA.

At present, there are 262 types of nationally-approved works that can take place under MGNREGA. The main categories of work are Natural Resources Management and Non-Natural Resources Management. Both these categories include many (but not all) the types of works that are agriculture-related, and are classified as Agriculture and Allied works. Within Natural Resources management, sub-categories include Land Related Works; Irrigation works; Ground Water Recharge Works; Works to enhance Soil Health; Plantation related works; and Drainage and other works. Under Non-Natural Resource Management, as well as a number of construction works – whether for buildings or for other rural infrastructure. A lot of convergence with other schemes takes place within this category of work, through projects related to house construction under the PM Aawaas Yojana and CM house building schemes; anganwadi centre construction and maintenance; government school construction and maintenance; toilet construction and maintenance; Gram Panchayat building construction and maintenance, etc. Depending on state-specific convergence plans, other works may also take place. For example, in Kerala, MGNREGA workers work on crop plantation, irrigation, and land development work under the Subhiksha Keralam scheme, which aims at large scale production of paddy, fruits, vegetables, tubers, grains, and legumes as part of achieving self-sufficiency in food production in Kerala. The principal requirement, however, is that aspects of these works under MGNREGA must involve unskilled labour, and not require machine use.

Areas across ministries and schemes where convergence with MGNREGS is permitted nationally are construction of rural connectivity projects, sericulture, aquaculture, rubber plantation, coconut plantation, and railways.

Based on these salient aspects of the scheme, workers’ rights under this Act can be organised as:

- The right to get job cards
- The right to demand and get work
- The right to unemployment allowance

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- The right to plan and prepare the shelf of projects, through participation in Gram Sabhas
- The right to obtain work within the radius of 5 km of the village
- The right to work facilities
- The right to receive wages within 15 days
- The right to compensation for delay in wage payment
- The right to time-bound redressal of grievances
- The right to conduct social audit

3.0 Implementation and Monitoring Authorities under the Act

Gram Sabhas, Gram Panchayats, and other Panchayati Raj Institutions (PRIs) play a nodal role in implementing MGNREGS, and are the authorities the workers directly interface with. The stakeholders involved in designing MGNREGS also saw the scheme as an opportunity to further strengthen the role of PRIs in rural governance. Panchayati Raj Institutions work in tandem with block-, district-, state-, and national-level authorities, as well as civil society, to implement the scheme. While Central and state governments largely play a role in funding and overall oversight, it is local governments at the village-, block-, and district-level that shoulder most of the weight of the implementation.

Panchayati Raj Institutions are key stakeholders in local planning, monitoring, and evaluation of the scheme. However, as shall be elaborated upon in subsequent sections, there are some operational and systemic constraints that shape the nature of how much discretion and power panchayats wield when implementing MGNREGA.

In the last 15 years of the scheme’s implementation, the involvement of institutions and administrative entities has been scaled up. This has also led to significant changes in how the scheme is implemented nationwide. Some of the more significant changes are:

- The introduction of convergence in 2009
- Introduction of NREGASoft in 2011 to digitalise all MGNREGA related record keeping – which has evolved into the MIS we see today
- Shift towards digitalised bank/post office account payments in 2011
- Geo-tagging of all assets created under the scheme in 2014
- Making Aadhar cards necessary for bank account verification in 2014

The flowchart in the next page highlights the key administrative stakeholders and governance actors in administering MGNREGS.
Ministry of Rural Development

State Government

District Level

Block Level

Village Level

Civil Society

Central Employment Guarantee Council

State Employment Guarantee Council

District Program Coordinator (DPC), District Panchayat

Programme Officer (PO), JE, MIS Manager, Block Panchayat

Gram Sabha, Gram Panchayat, Panchayat Development Officers, Gram Rozgar Sevak

Civil Society Organisations (CSOs), Community Based Organisations, Self Help Groups (SHGs)

Stakeholders Across All Levels

BANKS/ POST OFFICES AT ALL LEVELS, SOCIAL AUDIT AGENCIES, OMBUDSMAN, GPS AGENCIES
4.0 Achievements Under the MGNREGA

According to data from the Government of India, MGNREGA has grown to cover 30.85% of India’s rural population. Since its inception, MGNREGS has generated 3089.49 crore (308.949 million) person days as of August 2020, and created over 3.6 crore (36 million) geo-tagged assets as of 2019. In terms of socio-economic impacts, MGNREGA has made some very significant achievements:

- MGNREGA has widely been cited, including by the World Bank, as one of the largest social security schemes in the world.
- Though the scheme mandates that 33.3% of workers be women, trends over the last decade have regularly averaged at over 52% nationwide. Multiple studies have indicated that MGNREGS has had a positive impact by making more work accessible and available to rural women.
- MGNREGS has also helped reduce distress migration in areas where it is well implemented.
- In areas where the scheme is implemented efficiently, the self-targeting, demand-based mechanism has been effective in helping the most vulnerable access the scheme. According to the MGNREGA MIS, around 40% of the total households employed under MGNREGS each year belong to people of Scheduled Castes and Scheduled Tribes. The programme has had significant effects on consumption and poverty of SC/ST households in the lean agricultural seasons.
- There is also evidence to show that the MGNREGA has put upward pressure on agricultural wages which improves welfare for the poorest.
- Assets created under MGNREGA are useful to local communities. Where principles of Integrated Natural Resource Management have been properly applied, they have resulted in improved quality of agricultural and watershed management assets, both at the individual and community level, as well as in creating infrastructure that meets key local needs.

5.0 The Role of Civil Society

Civil society played an instrumental role in the very creation of MGNREGA as key stakeholders in demanding such legislation – in shaping the legislation as an Act that assures the Right to Work (framing of the provisions as the rights of people), and frameworks that provide workers crucial entitlements within it to help

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9 MGNREGA MIS
https://mnregaweb4.nic.in/netnrega/MISreport4.aspx

10 Ibid

11 Distress migration refers to migration as response to an external oppressive force — this could be natural and environmental disasters, economic deprivation, or forms of gender and social oppression that are perceived to be intolerable. In the context of MGNREGA job seeking, the Act serves to mitigate migration due to economic deprivation in the local area.
secure this Right, such as the provision for social audits to ensure accountability and universal access to information from the government. The legislation itself provides scope for Civil Society Organisations (CSOs) to participate in the MGNREGA implementation process.

5.1 Role of civil society as envisaged in MGNREGA

Section 2(g) under the Act states that, “implementing agency' includes any department of the Central Government or a State Government, a Zila Parishad, Panchayat at intermediate level, Gram Panchayat or any local authority or Government undertaking or non-governmental organisation authorised by the Central Government or the State Government to undertake the implementation of any work taken up under a scheme.”

The role of CSOs is, therefore, enshrined in the Act, and the government acknowledges, and, to an extent, encourages CSOs to collaborate with it to facilitate the implementation of the Act. However, it does set some limits, to ensure that the public provision aspect remains intact. In the same guidelines, it is mentioned that the engagement of CSOs in the actual implementation of the Act and making them directly responsible to generate person days is undesirable; they should remain facilitators.

Further, in general, there is some tension in government-CSO dynamics. At one level, CSOs support the government’s work and help build Gram Panchayats’ capacities for planning, implementation, and monitoring. They also work with district and state government officials to facilitate implementation. However, at another level, they are seen as external agents looking to criticise and impede local government functioning on this issue, as they continue to advocate for increased transparency, efficiency, and accountability on MGNREGS from governments at all levels.

5.2 Civil Society Contributions to MGNREGS Implementation

From the year the Act was passed, CSOs have made significant contributions towards the proper implementation of MGNREGS.
5.2.1 Multi-stakeholder Awareness Generation

Through campaigns, padyatras, slogans, posters, workshops, etc., CSOs have played the crucial role of raising awareness among citizens, elected representatives, local government officials, and community based organisations (CBOs) about the entitlements of workers and the roles of each stakeholder in MGNREGA implementation. For example, PRIA organised multiple village-level awareness campaigns in the nationwide Model Panchayats it established as part of its overall efforts between 2006 and 2009. CSOs have worked to ensure that information about the Act and its provisions are accessible to people across all strata of society. Awareness generation was a crucial need when the Act was first implemented, and that is when these campaigns were launched in full force. People needed to understand that MGNREGA was an Act under which they had to apply and request jobs, not a scheme under which the government would be mandated to organise enrolment drives to meet targets; and therefore jobs needed to be demanded as a right. Making people aware of their rights under the scheme was thus essential. At present, smaller scale awareness generation and reinforcement activities still continue to ensure that successive waves and generations of workers and other stakeholders remain aware of their role in making this Act effective.

5.2.2 Capacity Building

Awareness generation and capacity building often go hand-in-hand. A number of CSOs worked on ensuring that citizens, departments in the Rural Development and Panchayati Raj ministries, and PRIs were empowered. Citizens were trained to know their rights, how to participate in the planning process of the scheme through participation in Gram Sabhas, and the modes available to them to demand their rights and ensure delivery. Government officials were trained on how to engage communities in the planning of the shelf of works, the role elected representatives had to play, how Gram Sabhas and panchayats need to facilitate social audits, etc. CSOs also play crucial roles in developing and training government officials in best practices regarding planning of the shelf of works, the maintenance of records, monitoring and evaluating the scheme, and maintaining people's engagement. In addition to training, some CSOs also positioned themselves as consultants to the government at different levels, helping them incorporate different innovations and the best practices for the process. Many organisations also work to create local resource centres to ensure that villagers have a place to go to clear doubts about the scheme – both conceptual and procedural. These are typically consolidated with pre-existing Panchayat Resource Centres, which were also pioneered by civil society in the 1990s. Local Self-Help Groups (SHGs) have also played pivotal roles in partnership with CSOs to serve as change agents on the ground and to facilitate capacity building for community communities and local governments.

For example, SRIJAN and its work with local PRIs, SHGs, and

14 Ibid.

15 User's Manual For Building Sustainable Livelihoods Of The Poor Through MGNREGA, ebook (repr., Ministry of
communities in Madhya Pradesh. They focused on capacity-building on MGNREGS and GPDP\textsuperscript{16} planning to ensure active community participation in the planning process; and also to regularise use of state-level MGNREGA provisions in works planning to create sustainable livelihood assets for individual households through horticulture and dairy asset creation.

5.2.3 Monitoring and Evaluation (M&E)

One of the most important functions CSOs have played has been monitoring and evaluating how the scheme, people’s interactions with it, and the implemented interventions have played out. Monitoring and evaluation (M&E) work on MGNREGA has also involved a larger range of stakeholders; in addition to and in partnership with grassroots organisations, individual researchers, academic institutions, think tanks, and organisations who don’t necessarily work at the grassroots level have conducted M&E.

Studies on MGNREGA have been localised and granular (such as village/district level reports) as well as aggregated and systemic (such as PRIA’s nation-wide studies across 16 states conducted between 2006 and 2008). The M&E work and the sharing of findings has spurred a lot of dialogue and knowledge sharing on MGNREGS, which has brought in other CSOs working as knowledge institutions. Crucially, the M&E work done by CSOs has been important in informing the advocacy and policy tweaks implemented at local, state, and national levels. For example, organisations like PRIA, PRADAN, SRIJAN, etc., have been roped in by the Ministry of Rural Development as well as international bodies like the UNDP to write manuals for best practices in MGNREGA on topics such as sustainable livelihood creation and Integrated Natural Resource Management (INRM). The inclusion of social audits within the Act and the provision in the guidelines for ombudspersons and a ‘vigilance architecture’ at local, state and national levels further emphasises the importance of M&E within this scheme. CSOs have played an important role in calling out irregularities or the lack of ensuring that these provisions exist, as well as in helping the government create these institutions and bodies.

5.2.4 Advocacy

Lastly, and perhaps most importantly, CSOs play a crucial role in ensuring the needs of the people, their voices, and rights are protected during the implementation of MGNREGS. Across all levels (local, state, and national), CSOs have advocated for workers’ concerns regarding MGNREGS. Further, they have empowered workers to demand their entitlements. This is one of the most enduring parts of CSO engagement on MGNREGS – for as long as irregularities in implementation exist, advocacy for better implementation and proper inclusion of citizens must continue. In addition to activist organisations engaging in active petitioning and sometimes protest, a number of MGNREGA workers’ unions have also emerged over the years to collectivise workers’ concerns.

\textsuperscript{16} Gram Panchayat Development Plan

\cite{https://nrega.nic.in/Circular_Archive/archive/MGNREGA_manualjuly.pdf}

Rural Development, 2020,
6.0 Innovations by Civil Society

Civil society organisations have contributed to innovations that support the effective implementation of the Act.

6.1 Participatory Planning

Civil society organisations have played a crucial role in helping local governments with the planning processes of MGNREGS. This in part devolved from long-standing efforts of CSOs to encourage decentralised planning at the local level and helping panchayats create perspective plans.

In helping local governments create plans for MGNREGS, different CSOs have taken different approaches. Some have positioned themselves as intermediaries/consultants that present a pre-prepared plan for panchayats to then tweak. Others help panchayats enhance their initial attempts at planning by driving them to incorporate community perspectives. The third, and most participatory, approach taken by CSOs, is that they build capacities within the panchayat and local communities to conduct the entire planning exercise in a participatory manner, with the aim of encouraging them to develop frameworks to include workers and the village community in choosing the best projects to construct a shelf of works, and the sites for the projects as well.

Participatory planning emphasises involving the entire community – which is one of the rights of workers that they can fulfil (theoretically) through participation in the Gram Sabha. However, in practice, Gram Sabhas are often not involved in the way envisaged. In the initial stages of implementing MGNREGS, many panchayats simply presented pre-prepared perspective plans and shelves of work to Gram Sabhas for approval – if they were able to create these plans in the first place. As part of their capacity-building efforts, many CSOs help Gram Panchayats prepare plans for shelf of works. They play an important role in ensuring that Gram Sabhas are included and consulted to ensure that community needs are met by these plans. However, proper participatory planning means that communities are actually involved in the plan making process.

While participatory approaches have been deployed overall to strengthen local governance and in particular PRIs, they have been quite useful in strengthening MGNREGS implementation. The efforts of PRIA, its partners and numerous other CSOs over the years have resulted in the government recognising the value of participatory approaches in planning overall. This includes PRIA’s work in partnership with the Ministry of Panchayati Raj to institutionalise participatory micro planning at the panchayat level in the creation of GPDPs and other panchayat level planning exercises. This then resulted in the institutionalisation of micro-planning in the 8th Five Year Plan.

Intensive Participatory Planning Exercises (IPPE) at the local level for MGNREGA have been institutionalised and mandated by the Ministry of Rural Development since 2014, and also encourage local administrative officials to rely on CSO expertise, especially in creating plans to ensure proper natural resource management through the works – an important feature of MGNREGS.
This then resulted in the institutionalisation of micro-planning in the 8th Five Year Plan. Intensive Participatory Planning Exercises (IPPE) at the local level for MGNREGA have been institutionalised and mandated by the Ministry of Rural Development since 2014, and also encourage local administrative officials to rely on CSO expertise, especially in creating plans to ensure proper natural resource management through the works – an important feature of MGNREGS.

6.2 Integrated Natural Resource Management

An important component of MGNREGS is creating assets that aid natural resource management and improve the quality of agrarian land, as well as aid in local watershed management.

Since the implementation of MGNREGA, many CSOs have worked actively at local and higher levels to

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Case Study 1: PRIA's Work on MGNREGA

PRIA saw MGNREGA as an opportunity where PRIs will have access to increased resources to meet the expectations of rural populations by not only generating wage employment for the needy but also creating useful community assets, which will further catalyse socio-economic development of rural areas. MGNREGS was the first programme where PRIs had a central role through the legislation. PRIA was also part of a national coalition of CSOs that lobbied for the same prior to the passage of the Act.

Relevant stakeholders were informed and made aware of provisions within the Act and capacitated to work in partnership with the government on this program. This included village level awareness campaigns in areas where PRIA and its partners had presence as well as in Model Panchayats identified to pilot community based participatory action, and participatory research to ensure PRI strengthening and successful MGNREGA implementation.

PRIA promoted participatory planning frameworks at the village level to ensure that citizens were active stakeholders in how the scheme was implemented on the ground. A nationwide effort was conducted and 78 Model Panchayats were established across 12 states.

PRIA conducted multiple studies (local, regional and national) to assess the efficacy of how the scheme was being conducted on the ground. This included three phases of a National Study on the Implementation of MGNREGA conducted across 16 states between 2006 and 2009. The results of these studies were shared with the government and civil society stakeholders to ensure that the scheme was properly implemented, with citizen's perspectives considered at the highest decision-making levels.

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ensure that planning and implementation of works under MGNREGA follows principles of Integrated Natural Resource Management (INRM) in a manner that improves the natural resource assets as well as benefits local communities. INRM, when properly conducted, requires highly localised planning and innovations to ensure the needs of local communities are met and sustainable livelihoods are generated through the MGNREGS works, while ensuring the sustainability of the works and the environment.

CSOs have created resources to help governments establish mechanisms to promote INRM in MGNREGS nationwide. PRADAN worked with the Ministry of Rural Development to develop guidelines on INRM in MGNREGA, and to build capacities to institutionalise it. The Centre for Youth and Social Development (CYSD) has played a constructive role in Odisha to facilitate proper implementation of INRM guidelines. They have actively worked with local governments in Koraput District, as well, to promote horticulture-based durable livelihoods assets in cultivable wasteland areas through MGNREGS and Special Central Assistance (SCA) to Tribal Sub Scheme (TSS). In this approach, they have also ensured participatory planning and constant interaction and collaboration between all stakeholders in the MGNREGA implementation process.

### 6.3 Non-Adversarial Social Audits

Social audits are an innovation by civil society to ensure governments are accountable to individuals and their communities. While this accountability tool has been both widely appreciated and adopted, the process often places CSOs and the government in adversarial positions, which reduces trust. Though social audits are institutionalised in MGNREGS, and MGNREGA directs the local administration (in particular the Gram Panchayat) to make all necessary information available for the conduction of social audits by the Gram Sabha and other entities, they are often improperly conducted or don’t take place at all, because the audit can unveil malpractice and corruption by government officials. Pressure on the administration from communities to address these malpractices can result in punishment for the perpetrators. In 2009, an informal ban on CSO participation in social audits was put in place in Rajasthan by sarpanches who felt threatened.

In conventional social audits, the panchayat and local administration have no further role than to give information to the Gram Sabha or any other entity involved in the audit. Some CSOs, however, have worked to make sure that panchayats play the role of active facilitators in social audits.

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The idea is to first work with panchayats to help them see social audit not as a means for external interference and scrutiny, but as a mechanism for self-improvement that they can use to mobilise the community to facilitate MGNREGS implementation in the long run.

Some state governments have also actively worked to formalise and institutionalise social audits. Andhra Pradesh, in 2011, after a series of pilot audits by their Rural Development department, created the Society for Social Audits, Accountability, and Transparency (SSAT). Presently, both Andhra Pradesh and Telangana have SSATs which drive the conduction of social audits in the state. The SSATs, though housed within the state government, are governed by independent boards. Moreover, the latest set of operational guidelines (2016-2020) under MGNREGS also recommend that state governments establish Social Audit Units (SAUs) at the state level, and have members from CSOs and the academic community as members, in addition to key government officials.

6.4 Cluster Facilitation Teams (CFTs)

In 2014, in order to catalyse better MGNREGS implementation in key areas, the Ministry of Rural Development launched the creation of Cluster Facilitation Teams (CFTs) across 250 backward blocks in the country. The project seeks to enhance rural livelihoods through creation of sustainable assets in MGNREGS, and, in synergy with the National Rural Livelihoods Mission (NRLM), SHGs and Voluntary Organisations (VOs) are promoted as the vehicles of community participation. CSOs play a key role in these CFTs as facilitators and capacity builders for local officials and workers. They mobilise the community, enhance community participation, and also spur
accountability to improve the quality of assets and energise the delivery system. Key goals and components of the CFT project are: (i) Creation of awareness and demand generation, (ii) planning works for sustainable livelihoods, (iii) timely payment of wages to MGNREGA workers, and (iv) capacity-building and training of all stakeholders.

Civil society organisations and the government have, therefore, collaborated extensively on MGNREGS. Civil society has played, and continues to play, a crucial role in increasing outreach of MGNREGS to the current level and the efficacy it has today. However, when CSO work exposes corruption or malfeasance on the part of government officials, repeatedly highlighting gaps and irregularities in implementation, they are often barred access and even harassed by government officials.

### 7.0 How Effective Has MGNREGA Been?

Over the last 15 years, numerous attempts have been made to evaluate MGNREGA and MGNREGS at all levels of implementation. Research has been conducted by professionals from various entities, which include:

- **Academic Community**: students, researchers, university institutes and research departments, think tanks
- **Civil society**: Non-profits research, action and advocacy organisations, campaign groups, activists
- **Government of India**: NITI Aayog, Ministry of Rural Development, Central government auditors, state governments, quasi-academic government bodies (e.g., National Institute for Rural Development)
- **International non-profits, multilateral development cooperation agencies like the UNDP, World Bank, ILO, etc.**

In 2016, the International Initiative for Impact Evaluation published a working paper attempting to profile the various kinds of evidence available on MGNREGS. They considered 1,925
studies for their assessment. The studies consist of local field research and action reports, local, regional, and national monitoring and impact evaluation reports, analyses of MGNREGS’s impact on socio-economic wellbeing indicators, and studies on the efficacy of entitlement provisions.

Most studies, however, tend to solely focus on the employment provision aspects of MGNREGS. Even though unemployment allowance is a crucial provision of the scheme, few studies quantitatively analyse its provision. Those that do indicate low awareness and an inadequate implementation of unemployment benefits. Limited evidence and studies have been accessed by this analysis on components other than employment provision, such as on governance (productivity and corruption), gendered impacts, poverty alleviation, and indirect economic effects (migration, agriculture, and food price inflation).

In terms of geographical spread, most of these studies are regional, and, even in national and/or multi-state studies, some regions have been studied more – by and large, national studies focus only on 13 states, with Andhra Pradesh, Rajasthan, and Bihar getting the most attention.

### 7.1 Key Findings

This section synthesises key findings from 45 leading studies on the implementation of the Act and the scheme. The studies have been specified and cited in the bibliography. The studies paint a fairly mixed picture of the overall state of the scheme – while MGNREGA has adequately demonstrated its impact and potential to transform existing socio-economic dynamics for the better, sustaining these hinges on more effective large scale implementation.

#### 7.1.1 Issue of Job Cards is Delayed

When MGNREGA was initially launched, multiple studies between 2006 and 2009, including studies by PRIA, reported delays in issuing job cards to workers, and even instances of bribery and corruption. Over time though, job card issuance by itself is a less reported problem, since it occurs at the household level, but delays in issuing new cards prevail. Moreover, combining delays in job card provision/inclusion with delays in providing other entitlements showcases a significant, ongoing problem for workers in accessing the scheme.

#### 7.1.2 Demand and Availability of Work Varies Seasonally

More workers do not receive work during the cropping and harvesting months versus in the lean months. This indicates that local MGNREGS works are scheduled around the cropping season. Further, evidence suggests that increasing awareness of workers’ rights, including the fact that workers

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23 Ibid


can demand work when needed, does not necessarily lead to actual increase in employment. This strengthens the argument that supply, rather than demand, constrains MGNREGS employment.

Not all workers who apply for work under MGNREGA receive it. Delays in allotting work have persisted since the scheme first started. A 2015 NCAER study found evidence that administrative rationing of work served as a significant source of discouragement for workers to seek work under MGNREGA in the future.

On the other hand, in terms of MGNREGA reaching the intended audience, despite not meeting the levels of demand, it has proven to be self-targeting. The poor represent nearly a quarter (24%) of the share of all rural households participating in the scheme. Further, although both vulnerable and non-vulnerable households participate, the proportion of vulnerable households is greater.

Thus, the demand-based, self-targeting structure has not prevented the neediest from accessing the scheme. However, the poor track record of meeting job demand coupled with access limitations of vulnerable families means that many either don’t see the scheme as a reliable source of work, or are still not getting work under it.

### 7.1.3 Receiving Unemployment Allowance Remains Uncertain

Many of the studies on MGNREGA, while not necessarily providing a statistic, mention that a number of workers they encounter report not having been given an unemployment allowance or a delay in the delivery of the same. Improper record keeping and a lack of provision of receipts and issuance of undated receipts make thousands ineligible for unemployment allowances, since their claims for the same cannot be verified.

### 7.1.4 Work Within the Radius of 5 km of the Village is Available

This entitlement is fairly well secured, as most works tend to be planned within the prescribed limits. In the initial phases of implementation, studies did document some cases of works being located too far, and delays and non-payment of the transportation allowance. While there haven’t been studies specifically assessing the delivery of this entitlement, there is some anecdotal evidence (as part of larger complaints related to delays in wage payments) indicating that transportation allowances are not always paid.

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27 Ibid
28 Ibid
7.1.5 Demand for Obtaining Work Within 15 Days is Unfulfilled

One of the most important features of MGNREGA is access to work on demand, and getting work within 15 days of registration. Data from various studies over time, however, suggest that there is a long way to go to fulfill the ambition of meeting the demand.

While and increasing numbers of workers are working in the scheme (one million additional workers per year over the last 5 years as per government statistics), the average number of days worked per person under the scheme in 2018-19 was 51, which is just over half of the 100 day guarantee under the Act. The problem of meeting demand is long-standing, and is not just limited to providing the 100 guaranteed days. Studies show that many people who enroll in the scheme sometimes don’t get any work at all. There are also wide state-level variations, with rates varying from 15% to 84%.

7.1.6 Provision of Work Facilities is Irregular

On this parameter as well, while there hasn’t been large-scale evidence-based research, there is an abundance of anecdotal evidence from activists, workers, and CSOs on the ground, as well as from academic studies and coalitions focusing on women’s health, who continue to call for regularity in facilities provision, especially creches for women and caretakers for their children. The availability of creches at worksites has gradually improved over the years, but major discrepancies across states continue.

7.1.7 Wage Payments and the Right to Compensation Delayed

Receiving wages within 15 days and the Right to Compensation for delay in wage payment are some of the most crucial incentives for participating in MGNREGS. Yet, from the initiation of the scheme, delays in wage payments are an enduring problem. This error has persisted in spite of adopting the National Electronic Fund Management System (NeFMS). Digitalisation may have reduced leakages and corruption in implementation, but has not yet resulted in timely payments.

Different studies highlight different reasons for the same. One is the lack of capacity of local officials leading to inefficiencies – since data reporting requirements are extensive, but too few resources at the village and block level are dedicated for the exercise. The resultant delays and errors in data entry in turn lead to non-payment and delayed payments. Payments are often delayed for months on end, which is devastating for poor and vulnerable households, who often take on more crippling debt in an attempt to feed and shelter themselves and their children.

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32 MGNREGS MIS Data indicates that from 2016 to 2019, approximately 1 million additional workers per year were working under the scheme.


families. Sometimes, people have been driven to suicide. 37 Another major reason for payment delays is administrative lapses – the Central government often withholds MGNREGA payments to states due to state governments not submitting required paperwork and accounts in a timely fashion; workers are thus unfairly penalised for bureaucratic lapses and not compensated for delays in payment either. 38 Workers spend a significant amount of time trying to collect payments from distant and often under-capacitated banks and post-offices, time which they might have used to earn necessary wages.

Overall, successive governments, even in government guidelines 39, have acknowledged the corruption in MGNREGS payments (which is also reflected in data entry in the digital MIS) and the need to adhere to time limits prescribed for timely payments. More recently, PRIs have cited a lack of funds for the delay in payments towards the end of the fiscal year. In fact, they say allocated funds run out by the third quarter. Approximately 20% of the MGNREGA budget is used to clear arrears from previous years. 40

In recent years, delays have been compounded by a new generation of payment problems including rejected payments, diverted payments, and blocked payments. Rejected payment means that a money transfer bounces, possibly due to faulty account details or data entry errors. Diverted payment refers to money being sent to a wrong account. Blocked payment refers to the situation where a worker’s account has been credited but it is blocked, e.g., for lack of ‘e-KYC’, the biometric verification of their Aadhaar number.

### 7.1.8 Inclusive Participatory Planning Remains Hampered

In the initial phases of MGNREGA implementation, multiple studies and reports showcased that officials and CSOs alike required extensive capacity-building and training to ensure the planning process was participatory and that the Gram Sabha played the role as mandated within the Act. Over time, the role of the Gram Sabha in developing proposals and giving final stamps of approval has been institutionalised and fairly regularised nationwide. However, broader concerns around women’s participation in Gram Sabhas and the inclusion and agency of Dalit-Bahujan-Adivasi people in Gram Sabha meetings prevail. 41 SHGs and CSOs have played a crucial role both in facilitating the planning process and the inclusion and participation of these demographics in the panchayats where they have presences, but further progress needs to be made to ensure systemic inclusion.

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7.1.9 Redressal of Grievances is not Time-Bound

Successive government guidelines, reports, and testimonials from the ground highlight that not all states have put in place the required authorities and ombudspersons to ensure time-bound grievance redressal. Moreover, since local, village-level governments have no power for grievance redressal, people either do not report their complaints or, those who do, don’t see them addressed in a timely fashion. Local problems thus do not have local solutions, and district-level authorities are already overburdened with huge responsibilities. Hence grievance redressal under MGNREGA takes a backseat.

7.1.10 Conducting Social Audits Remains a Challenge

Since the initial implementation of MGNREGS, social audits have gradually become relatively more frequent and better conducted over the years, due to consistent pressure and collaboration by CSOs. However, regularised implementation across states is a major hurdle. There are state-, district-, and village-level variations in terms of the data assessed and the hurdles faced in the process, with some states (such as, Andhra Pradesh and Rajasthan) having a significantly better track record in conducting social audits than others. In terms of extant rules under MGNREGA’s Audit of Scheme Rules, 2011, each state was to establish an independent Social Audit Unit to help Gram Sabhas conduct a social audit every 6 months. However, in a CAG audit in 2015, it was found that in seven states this unit had not yet been formed, and in seven others, it was created within the state ministry or department for rural development, and was therefore not independent. In many of the states, while these bodies existed, they were effectively non-functional. Across the board, most states had left these units under-resourced and under-staffed, and regular calendars of social audits were not maintained. In the 25 states covered in this audit, only half of the Gram Panchayat areas had a social audit conducted in the year 2014-15, and in most of them, only one audit was conducted in that year. This suggests that significant progress needs to be made to regularise social audits nationwide. However, when social audits are successfully conducted in a participatory, non-adversarial manner, they have resulted in better grievance redressal, smoother overall functioning of the scheme, and greater awareness among workers along with increased demands for accountability.

Social audits and their results should be made public to enable all citizens in any given area to demand better implementation from the authorities, and better capacitate local governments to implement the scheme.

42 MGNREGA Sameeksha 1 and 2
44 Comptroller and Auditor General of India, “Report On MGNREGA Audit Of Scheme Rules, 2011 (Social Audit Rules)” (repr., Indian Audit and Accounts Department,
7.1.11 Mixed Record in Completion, Utility, and Sustainability of Works

In terms of completion of works, a study\(^ {47}\) showcased that in 2014 only 25.6% of the works planned for the year were completed, despite 91.6% of the budget for the year being spent, indicating the need for a review of the budget allocation structure or the planning process at a more granular level.

However, unlike critics’ disparagement of the works under the scheme as “ditch digging”, MGNREGA works have proved to be useful and enhance sustainability where constructed. Of the 262 types of work currently permitted, a large number focus on rural natural resource management while others focus on infrastructure creation. Research on works between 2009 and 2014 show that approximately 87%\(^ {48}\) of them do exist on the ground when cross-validated with official administrative data. Several studies also suggest that beneficiaries found the works useful: works increased land productivity, helped in multi-cropping and managing risks, and reduced socio-economic vulnerability.

7.1.12 Parity of Wage Rates with Market-Determined Rate Lags

MGNREGA wage rates have been increasing over the years, with the wage rate in 2020 having been raised by 11% since the last increase in 2016.\(^ {49}\) However, especially since 2011, the average MGNREGA wage rate has been between 40-50% below the average minimum wage for agricultural workers in most states and union territories. Many MGNREGA workers’ unions and activists have consistently advocated raising MGNREGA wage rates to match the minimum wage for unskilled agricultural work at the state level. While the goal of MGNREGA is not to replace traditional channels of employment, the low wage rates add to prevailing push factors in poor regions that drive people to migrate from villages to seek work elsewhere.

With respect to MGNREGA’s impact on prevailing wage rates, some studies have found that MGNREGA has resulted in gradual increases in overall rural wage rates. This, the proper implementation of MGNREGS results in wider positive effects for rural communities in terms of income generation.

7.1.13 Budget Allocation to the Scheme Fluctuates

The availability of funds rose about 25% between 2008-09 and 2009-10, but fell sharply after 2011-12. Fund use after 2010-11 has shown consistent improvement, but completion of projects undertaken has not improved.\(^ {50}\) The ratio of works completed to total works taken up reached a peak at 51% in 2010-11, and


\(^{48}\) Ibid


fell sharply thereafter. One reason for this seems to be the cumulative effect of projects left incomplete while new projects were added to the MGNREGA annual plan. Often funds run out before the end of the fiscal year, resulting in large arrears into the next year. Economists and activists have highlighted that for MGNREGS to meet the level of demand it registers, the overall budget allocation must be raised, in addition to completely plugging leakages.

7.1.14 Governance at Local Level Remains a Concern

Participatory governance and decentralised governance are two crucial ways through which entitlements under MGNREGS can better be delivered, and have long been recommended by experts across academia, governance, and civil society. Civil society has long worked towards ensuring that planning of works (as part of strengthening overall inclusivity in local-level governance) is participatory. As is previously highlighted, their sustained efforts have achieved some success, with the government recommending Intensive Participatory Planning Exercises under MGNREGS.

A factor affecting the governance of the scheme is the role of elected representatives. CSOs have worked to capacitate and motivate local, state, and national elected representatives to better implement the scheme, as their role as overseers of local bureaucrats is crucial in driving proper procedure. This has been demonstrated in some academic studies as well, which show that political incentives affect implementation of MGNREGS. At the district level, MGNREGA seems to be better implemented in block clusters that are answerable to one politician, than when blocks are split across multiple electoral constituencies. This indicates that local representatives tend to better motivate block officials when they are solely answerable to them. Studies also show that prevailing patterns of elite capture of electoral power and resources can mar the scheme’s implementation. MGNREGA challenges the hegemony of the landed elite as major employers in the Indian countryside and raises market wages which have long been depressed. However, in districts with historic records of inequality in land-ownership, workers’ bargaining power is reduced, their entitlements are poorly enforced, private rural wages are (on average) depressed, and fewer work days under MGNREGA are provided. MGNREGS implementation must be inclusive and meet the needs for all those who enroll in the scheme, irrespective of socio-economic background.

In terms of processes, the scheme has received a lot of criticism for the overly centralised nature of its implementation. While Gram Sabhas and panchayats have a large share of the implementation responsibilities on the ground, they have very little decision-making power. As district- and block-level officials have greater accountability to state and central governments, PRIs don’t have as much of a decision-making role, especially with respect to money allocations, and are dependent on higher level administrative officials. This highlights

51 Ibid

how the implementation of MGNREGS could be strengthened if a broader devolution of power and responsibility to panchayats took place.

7.2 Impact of MGNREGS

7.2.1 Human Development Indicators

Studies have shown that access to work under MGNREGS can help rural families increase much needed expenditures on food, healthcare, and education, thus showcasing better outcomes on those human development parameters. In times of economic shock (such as drought/crop failure), families with access to MGNREGS work reported reduced instances of nutritional deficiencies in children, as the scheme enabled continued access to food. Children in families with access to the scheme have reported better performance in basic reading and numeracy skills, greater school attendance, and reduced child labour. MGNREGS thus has helped poor families to enhance their income generation capacity and enable expenditures on essential needs, which have in turn enhanced their health and ability to educate their children.

7.2.2 Impact on Agricultural Productivity

While there isn’t clear evidence that MGNREGS has impacted the agricultural sector at the macro level, there is on-ground that the scheme has had a positive impact for farmers in growing crops. Studies show how works created under MGNREGA, when properly constructed and implemented, can greatly improve agricultural productivity and the quality of life in rural communities. They indicated that MGNREGS assets resulted in overall improvements in land quality, and beneficiaries report increased incomes. Some eventually transition away from MGNREGS work, and are even able to open small local businesses due to the increased income resulting from improved land productivity.

7.2.3 Impact on Migration

Several studies have suggested that MGNREGS, while not having a direct correlation with overall rural-urban migration trends, has helped reduce short-term distress migration. Women and children in particular benefit from MGNREGS and are more likely to not migrate than men when MGNREGS work is available – since women are more likely to participate in MGNREGS, and therefore less likely to engage in distress migration and take their children along. MGNREGS thus definitely helps reduce short-term distress migration, and provides an alternative source of income in leaner times.

7.2.4 Gendered Impact of MGNREGA

Under MGNREGA, one-third of workers on worksites must be women.


Women’s participation in the scheme has historically been high, with aggregate women’s participation higher than the mandated 33%. Women constituted 58.6% of the MGNREGS workforce in 2015. At the state level, however, there are significant variations, with states like Kerala, Goa, Tamil Nadu, Andhra Pradesh, and Himachal Pradesh showing high levels of women’s participation, while Uttar Pradesh, the Northeastern states, and Jammu and Kashmir show far lower. Many studies have highlighted how participation in MGNREGS has impacted women in other ways. MGNREGS has helped reduce distress migration among women, which in turn has had positive impacts on maternal and children’s health, as well as in children’s education outcomes in the areas surveyed. Having higher women’s participation in MGNREGS has reflected in wage-rate growth: women’s wages under MGNREGS in some studied areas grew at a higher rate than those of men.

Women’s participation in the scheme has also been facilitated through the collaborations between local government and women’s SHGs. Active participation of SHGs in village life and their role in securing women’s financial independence as well as their participation in local governance has reflected in MGNREGA as well. MGNREGA has also led to greater financial inclusion for women, as the bank- and post office-based payment mechanism has led to the creation of more bank accounts for women. In general, women have reported a high level of agency and control over the wages they earn under MGNREGS. Wage parity as assured under the Act has also been cited as a major relief, since women don’t have to bargain for better wages, a circumstance which studies have shown can make them vulnerable to sexual exploitation. For the more vulnerable groups among women, such as single mothers and widows, MGNREGS can often be one of the most significant sources of employment available to them.

However, the higher participation of women under MGNREGS also reflects what academics have called a “feminisation of poverty”, which includes the concept of women choosing not to renegotiate power relations and thus remaining poor. Studies have shown that since MGNREGS work comes with small sums, men prefer seeking work with higher wages elsewhere, while women are preferred for undertaking MGNREGS work. Since women are not seen as breadwinners, the small sums earned under MGNREGS are seen as sufficient to meet their minimal cash requirements. They aren’t seen as challenging traditional gender roles within households. Women often agree to work for lower wages and don’t seek work with better remuneration as they internalise the notion that they don’t need more. At the worksites as well, women-specific provisions, such as childcare facilities and crèches, are often not available, and gendered social-loafing (men putting in less effort than the women on the same


60 Ibid
task, but receiving equal or greater credit) is often observed.

Women are often not included in the process of planning the works, and are thus often seen simply as labour on worksites, not active stakeholders in the village development process. Studies have indicated that in areas where women are more active in local governance processes, the shelf of works may sometimes look different. In male-dominated Gram Sabhas, agricultural works are prioritised whereas in gram sabhas with higher female participation, there is additional emphasis on the construction of anganwadi centres and toilets. The process of including women in the works planning process has seen much more progress in southern Indian states.

8.0 MGNREGS During COVID-19

When the COVID-19 pandemic first hit India in March 2020, the Prime Minister announced a nationwide lockdown (initially for 3 weeks, which was then extended twice). Due to the lockdown, millions of Indians lost their jobs, and migrant labourers who had emigrated to towns and cities (to find employment) were disproportionately affected. Over 1 crore (100 million) migrant workers were forced to make long, arduous journeys back to their native villages in their home states upon losing their jobs in the cities. As the economic crisis continued, many residents and returned migrant workers turned towards the MGNREGS as a source of work in their own villages. Recognising the scheme’s potential as a source of employment and earning income during this crisis, the Government of India, under its Atmanirbhar Bharat stimulus package, allotted the programme ₹1 lakh crore (10 billion) in its budget for the 20-21 fiscal year, and the average wage rate was raised to ₹202 per day.\(^{62}\)

MGNREGS was widely seen by both the rural poor and returned migrants as a lifeline during the COVID-19 crisis, and a record 40% increase in the demand for work was observed as compared to the previous year. While MGNREGA was not necessarily designed to be a crisis-response measure, its existence served as a crucial buffer against starvation for many impoverished families. But prevailing issues in the scheme’s implementation acted as an exclusionary force for many returned migrants. A preliminary survey conducted by PRIA\(^ {63}\) in June 2020 across 65 panchayats in five states revealed that migrants didn’t just have trouble reconciling their divergent skillsets with the manual work provided under the scheme; they were also grappling with delays in job card issuance and wage payments.

The COVID-19 pandemic has thus highlighted the definite need to address the deficiencies in the scheme’s implementation and secure the rights of all workers as envisaged in the Act.


9.0 Conclusion

MGNREGA, which completed 15 years in 2020, is a transformative legislation, enabling livelihoods for many who may not have had access before, as well as serving as an employment alternative during crises. Over the years, access to MGNREGS has gradually increased, and the works constructed under the scheme have proven useful in catalysing individual and community economic and human development. However, severe implementation gaps as well as institutional hurdles and disincentives have proven to be major stumbling blocks in the achievement of its core principle objectives (of guaranteeing 100 days of work, adequately strengthening the livelihood resource base for the poor, ensuring social inclusion, and strengthening PRIs). The COVID-19 crisis revealed that MGNREGA has the potential to serve as a lifeline for rural communities in times of crisis, in addition to its potential to catalyse rural development overall.

As the government contemplates extending the Right to Work to small urban communities as well, lessons must be learnt from the past 15 years of implementing the Act and outreach of the scheme to all workers, especially economically disadvantaged and marginalised families.

Several steps can be taken to ensure that the Act lives up to its promise:

1. Increasing the administrative capacity at the grassroots level including village assemblies and block-level officials.

2. Ensuring local decision-making to safeguard the participatory nature of the planning of works is not diluted.

3. Proactively ensuring the participation of women and minority communities in the planning process.

4. Increasing the collective bargaining power of workers

5. Enforcing minimum wage laws and curbing the wage setting power of large landlords.

6. Prioritising timely wage payments and grievance redressal of workers, and mandatory and timely payment of compensation by holding elected representatives (at all levels) accountable for lapses in implementation.
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This Occasional Paper was written by Kaajal Joshi during her internship at PRIA, between August 2020 and January 2021.