

An Analysis of MGNREGA Scheme in Haryana State

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Abstract

MGNREGA is an employment guarantee programme launched by the central government in 2006. MGNREGA addresses the issues of poverty and lack of sustainability in rural areas. The aim of the present study is to analyse the contribution of MGNREGA in employment generation & assess the financial and physical performance of MGNREGA Haryana state. For the achievement of above objectives, the study employed the secondary data that has been gathered from the various government reports and official websites. The data were analysed through the descriptive statistics like percentage, table and graphs. The results of the study revealed that the scheme covered 22 districts, 143 blocks and 6264-gram panchayats of the state. In Haryana total workers registered under MGNREGA is 22.32 Lakh out of these 9 lakhs are active workers at present. Further, the study found that the person-days of employment showing fluctuating trends while women days out of the total person days are continuously increasing except the year 2020-21 under MGNREGA. Average wage rate per day per person in state continuously increases. Thus, MGNREGA is a very effective scheme which increase the employment level in rural areas of Haryana state.

Keywords: Labour budget, Employment, Allied activities and Water conservation

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Introduction

As per the census 2011, around 68% of the Indian population of India lives in rural areas which depends mainly on agriculture & its allied activities for their livelihood. MGNREGA stands for Mahatma Gandhi National Rural Employment Guarantee Act. It is a social security measure and a labor law enacted by the Government of India in 2005. The act guarantees the right to work and ensures employment opportunities for rural households in India. The bill was passed by both the Houses of Parliament on 5th September 2005. It extends to all the parts of India. The act came into effect in February 2006. In the first phase of the scheme; 200 most backward districts of India were covered and later on 130 other districts were added. MGNREGA was introduced with some specific objectives like; to enhance livelihood security in rural areas by providing at least 100 days of wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work. The act aims to address rural poverty, reduce unemployment, and create sustainable rural infrastructure.

The scheme helps in eradicating unemployment and to raise the standard of living of rural people. MGNREGA includes livelihood security for the poor through sanitation, water and soil conservation and higher land productivity. The act is designed in such a way to make people self-reliant, demand driven. This act aims at enhancing the quality of life of the rural population. Due to the prevalence of huge illiteracy in the rural areas, there exists a lot of unskilled labour. Through this scheme, the government wants to give job opportunities to those unskilled labour. It also provides livelihood security to the rural population. MGNREGA has become a powerful instrument for inclusive growth in rural India through social aids, livelihood security and democratic governance. The Mahatma Gandhi National Rural Employment Guarantee Act was enacted by the central government of India in September 2005. In Haryana, it came into force on the 1st April 2007. At present the scheme covered all the 22 districts of Haryana. Financial assistance shall be provided by central and state governments in the ratio of 90:10 respectively, 60:40 wage and material ratio to be maintained at district level. This scheme also includes creation of assets for development of rural areas. As per permissible works rural connectivity provide to all within villages ratio of women participation increase every year, it indicates women empower increase in rural areas also.

Key features of MGNREGA include:

- **Employment Guarantee:** The act provides a legal guarantee of employment to rural households. If there is a demand for work, the government is obligated to provide employment within 15 days.
- **Job Cards:** Every rural household that seeks employment under MGNREGA is issued a job card. This card serves as an identity document and provides details of the household members entitled to employment.
- **Wage Payments:** Workers employed under MGNREGA are entitled to receive wages directly into their bank accounts. The wages are fixed by the central or state government and must be paid on a timely basis.
- **Participatory Planning:** MGNREGA emphasizes the participation of local self-government bodies and communities in the planning and implementation of projects under the scheme. Gram Sabhas (village assemblies) plays a crucial role in identifying projects and monitoring their implementation.
- **Focus on Asset Creation:** The act emphasizes the creation of durable assets such as water conservation structures, rural infrastructure, and other productive assets. This not only provides employment but also contributes to long-term rural development.
- **Social Audit:** MGNREGA mandates regular social audits to ensure transparency and accountability in the implementation of the scheme. Social audits involve the active involvement of beneficiaries and the public in assessing the effectiveness of the program.

Review Literature

Kumar et al. (2021) reviewed the various rural development schemes in India. The study was based on secondary data. The results of the study indicated that, under DDU-GKY scheme 11.13 lacs candidates were trained and under MGNREGA scheme up to 29.3 crore people were benefited. This scheme helps in reducing poverty as well as unemployment. Kumar (2020) analysed the physical and financial performance of rural development program MGNREGA. He also discussed how the women participation rate has increased in MGNREGA. The study found that MGNREGA has a positive impact on the economy and showed a progressive number of participations under the scheme. He has mentioned that the scheme provided supplement to the rural unemployment as well as gave opportunities to work and sustainable livelihood. Chahal and Kumar (2020) concluded that the future challenge is not only to increase employment generation factor but also to increase productivity among all jobs. This scheme secures 100 days of job and provides minimum earnings to adults of every household at the same time. MGNREGA not only reduces unemployment but also develops rural areas. It provides equal participation to men and women to promote gender equality at the workplace. Shyik (2019) concluded that the MGNREGA is the largest public programme in India which provides employment and income to the major proportion of rural population. MGNREGA also increase the share of male and female participation in rural agricultural wage. He said that

agricultural wage rate is influenced by many factors i.e., reduced work force participation, increased participation in education and withdrawal of female workforce.

Vettriselvan (2018) concluded that a huge number of people in India were below the poverty line for that the government introduced number of schemes to eradicate the poverty. MGNREGA scheme is the one them which helped in poverty eradication and gave access to basic needs in the society. N. Nagaraj (2016) studied the impact of MGNREGA on the labour scarcity, wages, cost of production on the farm and non- farm workers. Scarcity of labour occurred due to farm and non- farm mechanisms. Gender wage gap increased in non- farm workers as compared to farm workers. To reduce this gap several policies adopted such as technological development, farm mechanism, capacity building and programmes for skill development especially for female workers. New technology will reduce the cost of production. In rural areas MGNREGA improved all outdated working equipment and addressed the rural poverty issues with meaningful sights.

Methodology

The present study is an attempt to achieve the following objectives:

- To examine the contribution of MGNREGA in employment generation in Haryana.
- To assess the financial and physical progress of MGNREGA in Haryana.

For the achievement of the above objectives, we used the secondary data that has been taken from the various published journals, government reports and official websites of MGNREGA. Descriptive statistics like percentage, table and graphs are used in the present study.

Result and Discussion

In Haryana state, the MGNREGA was introduced in Feb. 02, 2006. It was implemented in three phases in Haryana. In 1st phase, MGNREGA started in the Sirsa and Mahendergarh districts of the state. In second phase, in April 2007, it was expanded to cover Ambala and Mewat districts. Later on, April 2008, MGNREGA coverage was expended and implemented in all the districts of the state (Chahal & Kumar 2021). The budget allocation for MGNREGA in Haryana has been increasing steadily over the years. In the financial year 2020-21, the budget allocation for MGNREGA in Haryana was Rs. 1,250 crores. The Haryana government has been using technology to improve the implementation of MGNREGA in the state. The government has introduced a geo-tagging system to monitor the progress of work undertaken under the scheme and ensure transparency in implementation. Along with the adoption of advanced technology the government has also been providing skilling and training opportunities to the beneficiaries under MGNREGA.

Table 1: Current Status of MGNREGA in Haryana
As on 05.05.2023

Sr. No.	Particulars	Haryana
1.	Total Number of Districts Covered	22
2.	Total Number of Blocks Covered	143
3.	Total Number of Gram Panchayat Covered	6264
4.	Total No. of Job Cards Issued	12.67 lakhs
5.	Total No. of Workers	22.32 lakhs
6.	Total No. of Active Job Cards	6.04 lakhs
7.	Total No. of Active Workers	9 lakhs

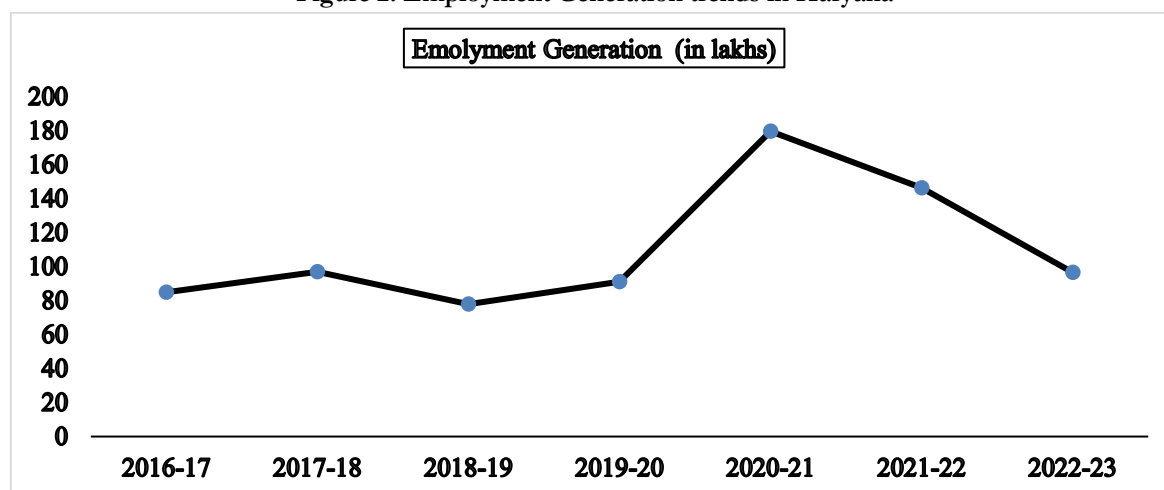
Source: <http://mnregaweb4.nic.in>

Table 2: Employment Generation Trends and Progress in Haryana

Year	Person Days Generated so far (in lakhs)	SCs Person Days % as of Total Person Days	ST Person Days % as of Total Person Days	Women Days out of Total (%)
2016-17	84.92	50.01	0.01	45.62
2017-18	97	47.66	0.01	48.64
2018-19	77.9	45.58	0.01	50.05
2019-20	91.19	42.14	0.00	50.09
2020-21	179.62	36.54	0.00	48.8
2021-22	146.39	42.67	0.00	52.67
2022-23	96.5	52.61	0.00	59.48

Source: <https://nregastrep.nic.in>

Table 2. depicts the progress of creating employment opportunities in rural Haryana. In 2016–17, 84.92 lakh person-days of employment were generated. In the 2020–21, 179.62 lakh person-days were generated which was the highest in the entire study time period. As we seen in the table that the women days out of the total person days generated is continuously increasing except the year 2020-21. It means the rural women are starting to participate in MGNREGA.

Figure 2. Employment Generation trends in Haryana

Source: Based on table 1.

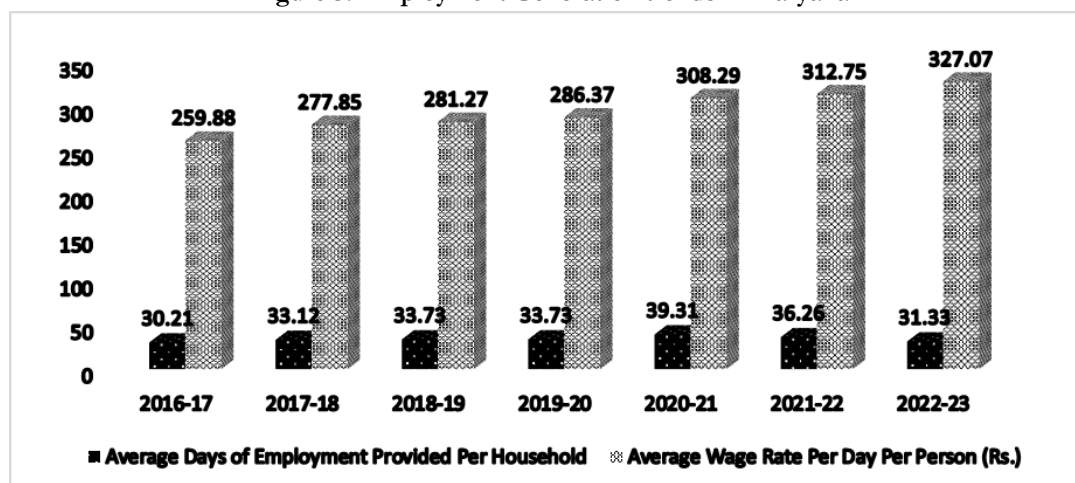
Table 3: Average Days Employment Provided and Average Wage Rate in Haryana

Year	Average Days of Employment Provided Per Household	Average Wage Rate Per Day Per Person (Rs.)
2016-17	30.21	259.88
2017-18	33.12	277.85
2018-19	33.73	281.27
2019-20	33.73	286.37
2020-21	39.31	308.29
2021-22	36.26	312.75
2022-23	31.33	327.07

Source: <https://nregastrep.nic.in>

Table 3. depicts the average number of days of employment provided per family increased continuously from 2016-17 to 2020-21 but after that it is decreasing in 2021-22 and 2022-23. In the case of average wage rate per day per person, each fiscal year shows an increasing trend. It grew to Rs.259.88 in 2016-17 and to Rs.327.07 in 2022-23.

Figure 3. Employment Generation trends in Haryana



Source: Based on table 2.

Table 4: Work Category Provided under MGNREGA for the FY 2022-2023

Work category	Worker employed	
	Women	Men
Rural Connectivity	44437	32800
Water Conservation and Water Harvesting	35869	23847
Renovation of Traditional Water Bodies	32993	21537
Flood Control	17097	12217
Drought Proofing	7961	6161
Irrigation Canals	171329	117500
Irrigation Facilities To SC/ST/IAY/LR	4058	4206
Land development	74877	52245
Bharat Nirman Rajeev Gandhi Sewa Kendra	0	0
Coastal Areas	0	0
Rural Drinking Water	0	0
Fisheries	0	0
Rural Sanitation	300	322
Other works	3	4
Grand Total	388924	270839

Source: <http://mnrega.nic.in>

Table 4. indicates the different categories of works provided under the MGNREGA scheme. As seen in the above table, highest number of workers are employed in the irrigation canals works followed by the land development and rural activities in the financial year 2022-23.

Table 5: Financial Progress of MGNREGA Scheme

As on 05.05.2023

Year	Total Availability of Fund	Total Exp. (Rs. in Lakhs.)	Percentage Utilization
2018-19	40281.99	36,788.4	91.33
2019-20	37582.34	34526.69	102.66
2020-21	83154.97	77666.71	96.52
2021-22	72132.52	66003.58	98.02
2022-23	55438.53	37797.96	84.88

Source: <http://mnrega.nic.in>

The table 5. shows the financial performance of the MGNREGA in terms of the availability of total funds, total expenditure incurred and the percentage of utilisation of funds. In the financial year 2020-21, highest funds were available which was more than double of the previous year fund availability but the maximum funds utilization were done in the financial year 2019-20. Preceding years funds and expenditure decrease in numbers it may reasons for full percentage utilization of resources.

Table 6: Physical Progress of MGNREGA Scheme

As on 05.05.2023

Year	Number of Completed Works	Approved Labour Budget [In Lakhs]	Average days of Employment Provided per Household
2018-19	15,132	100	33.73
2019-20	15,920	100	35.37
2020-21	21,245	185	39.31
2021-22	22,754	141	36.26
2022-23	8,098	125	31.33

Source: <http://mnrega.nic.in>

Table 6. shows the physical progress of the MGNREGA scheme. In terms of physical progress, we consider the approved labour budget, approved labour budget and average days of employment provided per household. As we seen in the above table that the approved labour budget is constant for the two financial years 2018-19 and 2019-2020. But it jumps instantly the next financial year 2020-21 because at that time the pandemic situation badly effects the whole economy. Number of completed works continuously rising except the year 2022-23 under the MGNREGA.

Conclusion & Suggestions

MGNREGA has been instrumental in generating employment opportunities and promoting sustainable development in rural areas of Haryana. The MGNREGA scheme covered 22 districts, 143 blocks and 6264 gram panchayats of the state. In Haryana total workers registered under MGNREGA is 22.32 Lakh out of these 9 lakhs are active workers at present. Further, the study found that the person days of employment showing fluctuating trends while women days out of the total person days are continuously increasing except the year 2020-21 under MGNREGA. Average wage rate per day per person in state continuously increases.

The state has been focusing on water conservation activities under the scheme and has been using technology to improve implementation and ensure transparency. The skilling and training provided under MGNREGA have also helped beneficiaries improve their employability and take up self-employment opportunities. MGNREGA has also been successful in promoting women's participation in the workforce in rural areas. In Haryana, women accounted for around 64% of the total beneficiaries under MGNREGA in the financial year 2020-21.

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Meenu Silayach received her Bachelor of Commerce degree from Dronacharya Government PG College, Gurugram, Haryana, India. Master of Economics from Maharshi Dayanand University (MDU), Rohtak, Haryana, India. She is pursuing her Ph.d (Economics) from Baba Mastnath University, Haryana, India . She has qualified NET.

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