

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3592
ANSWERED ON:15.12.2011
MATERIAL LABOUR RATIO
Sugumar Shri K.

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Government has fixed material-labour ratio for expenditure as 40:60 under Mahatma Gandhi National Rural Employment Guarantee Scheme;
- (b) if so, the details thereof;
- (c) whether some States have violated such norms;
- (d) if so, the details thereof; and
- (e) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

(a): Yes sir.

(b): The cost of material component of projects taken up under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), including the wages of the skilled and semi-skilled workers, shall not exceed forty per cent of the total project costs. The ratio of wage costs to material costs should be no less than the minimum norm of 60:40 stipulated in the Act.

(c) to (e): As per Section 3 (1) of the Act, it is for the concerned state Government to provide to every rural household whose adult members volunteer to do unskilled manual work not less than one hundred days of such work in a financial year in accordance with the Scheme made under the Act. As per Section 4 of the Act, every State Government shall notify a Scheme for giving effect to the provisions of Section 3 of the Act. Implementation of the Act is done by the State Governments in accordance with the Schemes formulated by them as per the provisions of the Act and expenditure on material component exceeding 40% in a project has to be borne by the State Governments.