

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:1893
ANSWERED ON:23.08.2012
CHALLENGES UNDER MGNREGS
Annayagari Shri Sai Prathap

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is facing several basic implementation challenges in the recent past;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has received suggestions/recommendations from National Advisory Council for effective implementation of the scheme;
- (d) if so, the details thereof; and
- (e) the reaction of the Government thereto and the steps being taken by the Government to curtail the loopholes in the scheme?

Answer

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

(a)to(e): Under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), major implementation challenges like ensuring demand driven legal entitlements, timely payment of wages to workers and strengthening overall delivery system are being faced. National Advisory Council (NAC) while examining policy reforms and implementation of flagship programmes including MGNREGA had recommended various measures for effective implementation of MGNREGA. These included expeditious notification of Social Audit Rules, strengthening institutional and technical support in the Ministry and for Central Employment Council and providing technical support to States through resource groups on wage payment, transparency and accountability, grievance redressal, planning, natural resource management, convergence, expansion of permissible works, demand for work, capacity building, training, staff, management etc. The steps already taken by the Government on the above aspects for more effective planning, better implementation and utilization of funds under MGNREGA include the following:

- (i) Keeping in view the challenges in implementation in MGNREGA including the problem of delay in payment of wages, permissible administrative expenditure limit was enhanced from 4% to 6% for deployment of dedicated staff for MGNREGA, strengthening management and administrative support structures for social audit, grievance redressal and Information and Communication Technology (ICT) infrastructure.
- (ii) Use of information technology to automate the manual processes is being promoted.
- (iii) Payment of wages in cash has been allowed in IAP districts where outreach of Banks/Post Offices is inadequate as an interim arrangement subject to certain conditions.
- (iv) To strengthen the institutional outreach for wage disbursement, it has been decided that State Governments should roll out the Business Correspondent Model to make wage payment through Banks with Bio-metric authentication at village level.
- (v) States have been instructed to establish State Employment Guarantee Funds for greater flexibility in management of funds for MGNREGA.
- (vi) Various advisories have been issued to States/UTs to check delays in payments. A time schedule for payment of wages has been suggested to the States/UTs to reduce administrative delays.
- (vii) For convergence of MGNREGA with other development programmes of the Government which have similar target groups, convergence guidelines have been developed and disseminated by the Ministry for several other development schemes.
- (viii) Amendments to para 1 of Schedule I of MGNREG Act have been carried out from time to time to enlarge the scope of works and activities that can be taken up.
- (ix) Information and Communication Technology (ICT) based MIS has been made operational to make data available to public scrutiny including job cards, muster rolls, employment demanded and number of days worked, shelf of works, funds available/spent, social audit findings, registering grievances etc.

(x) In consultation with the Comptroller & Auditor General of India, MGNREGA Audit of Schemes Rules, 2011 has been notified on 30th June, 2011. All States have been asked to put in place a robust Social Audit mechanism as outlined in the Rules.

(xi) Instructions have been issued directing all States to appoint Ombudsman at district level for grievance redressal.