

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:2296
ANSWERED ON:22.08.2013
IMPACT OF MGNREGS
Dutt Smt. Priya Sunil; Rao Shri Nama Nageswara

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Government has conducted any evaluation study on the impact of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) on rural economy;
- (b) if so, the details and outcome thereof including Andhra Pradesh;
- (c) whether the Scheme has been adversely affected due to delay in payment of wages, irregular maintenance of record etc.;
- (d) if so, the reaction of the Government thereto;
- (e) whether the Government has taken steps to strengthen the joint work and cooperation between MGNREGS and agriculture/allied sectors;
- (f) if so, the details thereof;
- (g) whether any independent studies were undertaken to assess the extent of achievement of the intended objectives of MGNREGS including enhancing the livelihood security of rural households in the country; and
- (h) if so, the details thereof?

Answer

MINISTER OF RURAL DEVELOPMENT (SHRI JAIRAM RAMESH)

(a) to (h): Apart from providing wage employment on demand, creation of durable assets and strengthening the livelihood resource base of the rural poor are also important objectives of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). Ministry of Rural Development has set up a National Level Network (NIN) for the MGNREGA. NIN is a network of institutions, including Indian Institute of Management (IIMs), Indian Institutes of Technology (IITs), National Institute of Rural Development (NIRD), Agriculture Universities, Administrative Staff Colleges of India (ASCI), think tanks, civil society organisations and other professional institutes. A few studies commissioned by the Ministry of Rural Development on the impact of the MGNREGA have highlighted that this programme intervention has led to the improvement in the rural infrastructure and have impacted the rural livelihoods. Some of the major findings of such studies related to impact of MGNREGA works are:

Increase in Agriculture wages and enhanced bargaining power of rural poor.

Creation of environmental friendly jobs.

Reduction in soil erosion and enhancement in soil organic matter

Improvement in ground water table, agricultural productivity and cropping intensity.

Reduction in water vulnerability index, agriculture vulnerability, livelihood vulnerability index.

Ministry receives grievances/complaints relating to delay in payments of wages, irregular maintenance of records etc. As implementation of the Act is vested with the States/UTs, all complaints received in the Ministry are forwarded to the State Governments concerned for taking appropriate action, including investigation, as per law. In cases of complaints and of mismanagement of funds etc., enquiries are conducted for fixing responsibility for lapses, if any, and action is initiated against persons found responsible, by the State Governments concerned. Steps taken for effective implementation of MGNREGA, inter alia, are the following:

(i) Keeping in view the challenges in implementation in MGNREGA permissible administrative expenditure limit was enhanced from 4% to 6% for deployment of dedicated staff for MGNREGA, strengthening management and administrative support structures for maintenance of records, social audit, grievance redressal and Information and Communication Technology to automate the manual processes is promoted.

>(ii) Use of information technology to automate the manual processes is promoted.

(iii) Payment of wages in cash has been allowed in IAP districts to obviate payment delays 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, the State Governments have been instructed to 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) Ministry has instructed all States to roll out `Electronic fund Management System` (e-FMS) to ensure quick remittance of wages directly to the accounts of wage seekers.

(vii) 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.

The provisions in Mahatma Gandhi National Rural Employment Guarantee Act (MGNEGA) are effected through Schemes formulated by States under Section 4(1) of the Act. The Scheme made by the States are required to provide for the minimum features specified in Schedule I of the Act for which guidelines are issued by the Central Government. Schedule-I of MGNREGA as amended from time to time lists the category of works that any Scheme prepared by a State Government under Section 4 (1) of MGNREGA Act shall focus upon. With the objective of expanding and deepening the positive synergy between MGNREGA and agriculture, especially in the context of small and marginal farmers, the Ministry has permitted new works under livestock related works, irrigation command related works (rehabilitation of minor, sub-minor and field channels), etc.