

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:4416  
ANSWERED ON:20.02.2014  
UNEMPLOYMENT ALLOWANCE  
Agarwal Shri Jai Prakash;Rao Shri Nama Nageswara

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

- (a) whether it is mandatory for all the States to notify unemployment allowance rules under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS);
- (b) if so, the details thereof;
- (c) whether unemployment allowances under MGNREGS have not been notified in certain States /UTs and if so, the details thereof along with the reasons for not providing unemployment allowances under MGNREGS to the registered workers in these States/UTs;
- (d) whether the Government has taken up the matter with the States in this regard;
- (e) if so, the reaction of the States there to and the steps taken or being taken by the Government to pursue the States to notify these rules and pay unemployment allowance to those who have not been provided work as per demand;
- (f) whether the Government has formulated/proposes to formulate any new scheme to increase employment opportunities in rural areas; and
- (g) if so, the details thereof along with the funds earmarked therefor?

**Answer**

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

- (a) & (b): Yes Madam. As per Section 7 of The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) 2005, the States/UTs have to pay unemployment allowance where work could not be provided as per demand. As per Section 22(2) (a), the States/UTs are liable to pay unemployment allowance out of their own resources. As per Section 32 of the Act, State Government could frame Rules relating to the procedure for the payment of unemployment allowance.
- (c) to (e) So far, 15 States/UTs have notified the unemployment allowance rules and 8 States have initiated action to notify the unemployment allowance rules. State/UT-wise details are indicated in the Annexure. Matter has been taken up with the State Governments for early finalization of Rules.
- (f) & (g): No new scheme is formulated. The Ministry, vide Gazette Notification dated 03.01.2014, has substantially revised provisions contained in Schedule I and II of MGNREGA 2005 to ensure (i) expansion of employment opportunities in rural areas, (ii) improvement in the quality of MGNREGA works and (iii) creation of productive and durable rural assets. Funds would be allocated as per demand for work.