

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1239
ANSWERED ON:03.03.2015
EFFECT OF MGNREGA ON AGRICULTURE COST
Kaswan Shri Rahul

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether there has been increase in the cost of agriculture as a result of Mahatma Gandhi National Rural Employment Act (MGNREGA);
- (b) if so, the details thereof;
- (c) whether the Government propose to accept the recommendations of the Commission Agricultural Cost and Prices for (CACP) to establish inter- relationship between MGNREGA and agriculture;
- (d) if so, the details thereof; and
- (e) the criterion adopted by the Government to implement the said recommendations?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI MOHANBHAI KUNDARIA)

(a) & (b): The Commission for Agricultural Cost and Prices (CACP) in its report on Price Policy for Kharif Crops of 2013-2014 has mentioned that labour costs have risen rapidly, by almost 20 per cent per annum, during the last 3 years, which have pushed the cost of production in agriculture. Farmers also complain about serious shortage of labour during peak seasons largely perceived due to Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

(c) to (e): The Commission for Agricultural Cost and Prices in its report on Price Policy for Kharif Crops of 2013-14 had recommended fusion between Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and agriculture operations, wherein half of the wage is paid by the farmers and the other half by the scheme.

Guidelines for conversion of MGNREGA with programmes of Ministry of Agriculture have been issued. Government has notified 30 new works under MGNREGA, majority of which relate to agriculture and allied activities.