

## EVALUATION OF CREATION OF EMPLOYMENT UNDER THE MGNREGA IN TELANGANA

**D.Gnyaneswer**

Assistant Professor of Commerce Badruka College of Commerce and Arts

*\*Corresponding Author: D.Gnyaneswer*

**Abstract:-** *The National/Rural Employment Guarantee Act 2005 (NREGA) renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is the utmost accurate method to the problems of poor and idleness people. In fact, the scheme ensures the economic care of the rural below poverty people by providing guaranteed wage employment. MGNREGA undertakes the creation of employment that are largely focused on total no of Habitations, total no of Job cards issued, no of wage seekers, total no of person days generated, no of person days generated for SC, ST, BC, minorities, others, average wage rate per day per person, Average no of days employment provided per Household and total no of Households completed 100 Days of wage Employment. The study is an attempt to evaluate the creation of employment under the MNREGA in Telangana. During the financial year 2016 to 2019.*

*(3 years).*

**Keywords:** - *Employment, Economic Safety, MGNREGA, Financial year, Unemployment, person days.*

### **Introduction:-**

The National Rural Employment Guarantee Act (NREGA) of 2005 is a single policy intervention by the state to ensure a “livelihood” for resource-poor people in rural India. Under the law, the government should provide unskilled adults (labour card holders) who are willing to work at the normal legal minimum wage with 100 days of guaranteed physical employment in local public enterprises. Is legally required. If they do not appear at work, they will be paid an unemployment allowance. The law came into force on February 2, 2006 and came into force in stages. Phase I was announced in the 200 most rearward counties in the country. From 2007 to 2008, Phase II was conducted in an additional 130 districts. The law was notified in the remaining 285 rural areas of India as of April 1, 2008 in Phase III. The program proposes a statutory minimum wage for Rs. 202 per incumbent per day from the year 2019-2020

This scheme shall come into presence with effect from 2<sup>nd</sup> February 2006 in rural areas of following 9 districts of Telangana State that is; (1) Adilabad, (2) Karimnagar, (3) Nizamabad, (4) Medak, (5) Mahabubnagar, (6) Ranga Reddy, (7) Khammam, (8) Nalgonda, (9) Warangal.

### **Features of the scheme:**

- Gives legal guarantee of wage employment to the adult members of rural households who are willing to do unskilled manual labour subject to a maximum of 100 days per household
- Applicable for all villages in the District
- Every rural household has the right to register under MGNREGA
- Job cards issued to every household registered under MGNREGA
- Job cards issued within 15 days from the date of receipt of application for the job card registration
- The registered job card holders can seek employment by giving a group / individual application
- A minimum of 10 job seekers shall apply to sanction a new work under MGNREGA
- Employment provided by sanctioning one of the works under “Shelf of Works” as identified and prioritized by the village community within 15 days from the date of receipt of applications for providing employment under MGNREGA
- The village community has the right to choose works under 8 permissible categories of works
- “Shelf of works” will be identified by the village community for 5 yrs which can be taken up in their villages as per the job demand and entitled person days

- The works proposed by the village community cannot be altered by anyone unless they are not in conformity with the guidelines of MGNREGA
- The work shall be provided within 5 kms jurisdiction from the village
- If the work provided is beyond 5 Kms, the job seekers shall be given 10% of the minimum wages as additional amount
- State Govt. to pay 25% of minimum wage for the 1st 30 days as compensatory daily unemployment allowance on failure to provide employment for the families demanding the works under MGNREG Act, and ½ of wage for remaining period of the year
- Wages are paid according to State Minimum Wage rate notified under Minimum Wages Act 1948. The current wage rate is Rs.117/- for all unskilled work and Rs. 120/- for skilled labour.
- Equal payment for men and women
- Wages to be paid within a fortnight
- 1/3 beneficiaries should be women
- Work site facilities such as creche, drinking water and shade have to be provided
- 60:40 wage and material ratio has to be maintained for all works undertaken under NREGA

#### **Reviews of literatures:**

A few studies at the state levels have been piloted and reported on the Mahatma Gandhi NREGA. Maximum of the studies stress the impact created by the NREGA programme on the profits, social status and asset holdings of the rural women and disclose the limitations to efficient implementation of the programme. A profitable review of the related studies has been in brief endeavoured below.

#### **Bairagya Ramsundar and Sarkar Shubhabrata (2013)**

Employment Guarantee scheme is a new thought in India. MGNREGA works are largely concentrated on land and water resources which contain: water harvesting and preservation, soil maintenance and protection, irrigation provisioning and improvement,

#### **Mitra and Murayama (2008)**

found that Migration rates defined in terms of the gross decadal inflow of population as a percentage of total population at the place of destination does not seem to be high in a large number of districts. The intra-state rates are

renewal of traditional water bodies, land development and drought proofing. The paper judgmentally evaluates the overall success of the MGNREGA in the bright of a case study on Birbhum district of West Bengal.

#### **Das (2013)**

evaluates the National Rural Employment Guarantee Scheme (NREGS) allowing to criteria viz. average number of days of employment per household; percentage of households finishing 100days of employment under NREGS; percentage of expenditure against total existing funds etc. Presentation across the first two criteria has been unsatisfactory and has declined over time. Percentage of expenditure against total available funds has risen quickly. Finally, it is hard to escape the conclusion that the NREGS has not performed healthy.

#### **Ahuja, Tyagi, Chauhan and Chaudhary (2011)**

conducted a study in Haryana to check implementation of MGNREGA in two districts — one agriculturally-advanced (Karnal) and the other agriculturally-backward (Mewat). In this they found that the farmers owning large size of landholdings and more number of livestock are not much interested in participating in MGNREGA works as they are busy in their own activities. The farmers who have small land and livestock resources work in MGNREGA works. So employment scheme of MGNREGA is providing livelihood security to the resource- poor rural people. Thus, if size of holding is large, the chances to work in MGNREGA work are less. It can be inferred that in agriculturally-developed area MGNREGA did not check the migration as the people were earning more income from migration. It implies that for the backward and resource-poor areas, MGNREGA is a good source of employment. The study has concluded that the farmers having large size of holding, more number of livestock, are migrating to other places for employment and have taken loans are less inclined to participate in MGNREGA.

substantially larger than the inter-state rates. Secondly, the male and female migration rates are closely interconnected irrespective of whether they migrate from the rural areas within the state or outside the state. This would suggest that women usually migrate as

accompanists of the male. Though many of the relatively poor and backward states actually show large population mobility, which is primarily in search of a livelihood, the mobility of especially male population is also seen to be prominent in the relatively advanced states like Maharashtra and Gujarat. The effect of factors at the place of destination on migration is interesting. Prospects for better job opportunities are a major determinant of migration.

**Jacob (2008)**

recommends that the lack of exact official data on migration is a matter that should be corrected as it is quite important to quantify migration as accurately as possible as rural-urban migration can become quite a problem for both the source and the destination areas. The aspect of NREGA where it can be used to curb rural-urban migration is conditional on the NREGA being implemented well in that region, otherwise, if work is not supplied, if wages aren't paid on time and if money is just being siphoned off, then workers will have no incentive to stop migrating. However it should be clear that the primary aim of the Act is to provide welfare for the section of the population that does not even earn the minimum wage- the fact that it can also curb distress migration is just a positive secondary impact of the Act. This paper does not mean to suggest that the focus of the Act should shift to preventing rural-urban migration, it only seeks to highlight that it should become a priority to implement NREGA as efficiently as possible because there are enormous secondary benefits from the Act which could really have a positive impact on economic development.

**Bhagat (2012)**

thinks that temporary and seasonal migration has long been an important income diversification and risk-coping strategy in many agriculture based economies in the developing world. In places where access to non-agricultural employment is limited, or climate (or technology) prevents continuous cultivation, seasonal migration is often the key to a household's income during the agricultural lean season. Regional variations in temporary migration are noteworthy in a

**Research Methodology:-**

Secondary Data:- Secondary sources of data is from records and reports of Ministry of Rural

country. Bihar, Jharkhand, Gujarat, Madhya Pradesh, West Bengal and Nagaland have a very high intensity of migration. All these states either have a high level of intra-state inequality or a high proportion of STs and SCs. Overall, temporary and seasonal migration declines with better economic and educational status. In rural areas, those with increasing incomes become less prone to migrate temporarily. Social factors play a critical role in migration decisions. Those belonging to STs have a higher chance of migrating seasonally than people in any other social group. The study concludes that temporary mobility is higher among the poorer sections of Indian society irrespective of the level of economic development of the states concerned.

**Jaswal (2009)** finds out that migration has reduced by more than half since MGNREGA was introduced. This has allowed families better access to educational and medical facilities in their existing domiciles. Most of the NREGS workers surveyed had little or no land. Many of the ones that do have land did not have access to irrigation and hence the productivity of the land is low. In such circumstances, the importance of migratory labour or an alternative such as NREGS goes up. An important aspect is the effect of NREGS on the labour market. It has buoyed up the off-season wages and has been instrumental in allowing the rural workforce to obtain means for basic sustenance in their local areas without having to migrate. In terms of number of people who have migrated before and after NREGS, it was found that there has been a drastic fall in the number of migrants.

**Objective of the study:-**

The present study was mainly on an attempt to study the creation of employment under the MGNREGA in Telangana. (It includes:- (Total No of Habitations, Total No of Job cards Issued, No of Wage Seekers, Total No of Person days generated, No of Person days generated for SC, ST, BC, Minorities, others, Average Wage rate per day per person, Average No of days employment provided per Household and Total No of Households completed 100 Days of Wage Employment).

Development and

[nrega.telangana.gov.in/nregs/](http://nrega.telangana.gov.in/nregs/).

**Period of Study:-** The period of study is from 2016-17 to 2018-2019 i.e., for 3 years.

**Proposed Statistical Techniques:** The data collected from Secondary sources will be

**Analysis and Interpretation:-**

analyzed with the help of percentiles statistical tool.

Table no:-1 Physical Employment

Physical Employment	Financial years		
	2016-17	2017-18	2018-19
Total No of Habitations	22421	22225	22225
Total No of Job cards Issued	5246806	5069885	5274273
No of Wage Seekers	11479504	11146772	11822671
Total No of Person days generated	106766296	114547846	117289622

Source: - <https://nrega.telangana.gov.in/Nregs>

The total number of dwellings (households) that worked under the program during the study period was 22421 in 2016-17, 22225 in 2017-18, and 22225 in 2018-19. It shows that. The above analysis shows that the number of households working under the program has increased from 22421 to 22225 (2016-17 to 2018-19). i.e., 0.87%.

The total number of labour cards issued under the program during the study period was 5246806 labour cards in 2016-17, total 5069885 labour cards in 2017-18, and total 5274273 labour cards in 2018-19. Is shown. The above analysis shows that the number of labour cards issued under the program has increased from 5246806 to 5274273 (2016-17-2018-19). i.e., 0.52%.

The total number of wage seekers under the program during the survey period was

11479504 in 2016-17, 11146772 in 2017-18, and 11822671 in 2018-19. The above analysis shows that the number of unemployed job seekers under the program has increased from 11479504 to 11822671 (2016-17-2018-19) job cards. i.e., 2.98%.

The table above shows that when the program was implemented in Telangana, the man-hours generated in 2016-17 were 106766296. Similarly, it increased to 114547846 in 2018 - 19. That is, an increase of 7.28% compared to 2016-17, and in 2018-19, 117289622 days were employed. That is, 24% more than in 2017-18. The above analysis clearly shows that Telangana is performing astoundingly in terms of man-hours generated.

Table no:-2 No of Person days Generated Employment

No of Person days Generated Employment			
Person days	No of Person days (%)	No of Person days (%)	No of Person days (%)
No of Person days generated for SC	24166466 (22.63%)	26020684 (22.7%)	26242876 (22.37%)
No of Person days generated for ST	19374771 (18.15%)	20336755 (17.8%)	20371636 (17.37%)
No of Person days generated for BC	55638985 (52.11%)	60756263 (53%)	62960151 (53.68%)
No of Person days generated for Minorities	1402145 (1.31%)	1431732 (1.25%)	1466298 (1.25%)
No of Person days generated for Others	6183929 (5.79%)	6002412 (5.24%)	6248661 (5.33%)
Average Wage rate per day per person (Rs.)	133.25	140.89	148.42
Average No of days employment provided per Household	42.19	45.23	46.53
Total No of Households completed 100 Days of Wage Employment	203808	224507	224402

Source: - <https://nrega.telangana.gov.in/Nregs>

It depicts that in the year 2016-17 person day generated in percent among SC, ST, BC, Minorities and others Beneficiaries were 22.62%,18.1%,52.11%,1.31% and 5.79% respectively, Similarly in the year 2018-2019 SC- 22.37%, ST- 17.37% BC-54%, Minorities-1.25% and others-5.33%. As compared with 2016-17, ST and BC person day Generation has been increased and SC, Minorities and others beneficiaries' person day Generation has been decreased .From the calculated analysis it shows that there is an improvement in generation of ST and BC person day in Telangana state.

That average day of Employment provided per household in percentages. The average day of employment provided per household in the year 2016-17 is 42.19%, 2017-18 is 45.23% and in the year 2018-19 is 46.53%. The above analysis shows that average day of employment provided per household has been Improved during the study period.

That at the time of detect wage rate per person under TS-MGNREG scheme. The objective of the scheme is to pay minimum wages of Rs 211 per day from the year 2016-17. In 2016-17 the average wage rate per day was Rs 133.25, in year 2017-18 wage rate Rs 140.23 similarly in the year 2018-19 wage rate Rs 148.42.The average rate has increased to 11.38% from the year 2016-17 to 2018-19. It shows that the Average wage rate per person has been increased

It depicts that at the time of observation of the scheme in Telangana state. In year 2016-17 203808 number of households got 100 days of employment, similarly in the year 2017-18, 224507 households and in the year 2018-19, 224402 number of households got 100 days employment. From the above analysis it is seen that from 2016-17 to 2017-18, 100 days of wage employment number has been increased and in 2018-19 employment has been decreased. It shows beneficiaries are not working 100 under the scheme and their ratio also very less than participation ratio.

#### **Findings and conclusions:**

1. The no of Habitations (House Holds) working under the scheme during the study period has been decreased to 0.87%. It is less percent of increase due to less awareness about scheme.
2. Total no of Job cards Issued under the scheme has been increased from 5246806 to 5274273

Job cards i.e., 0.52%. It is showing that new job cards issues has been decreased due to new cards not issuing.

3. Total no of wage Seekers under the scheme during the study period has been increased from 11479504 to 11822671 (2016-17 to 2018-19) Job cards i.e., 2.98%.the wage seekers increased is very less due to wage rate is not equal with market rate.
4. The person days Generated under the scheme has been increased from 216-17 to 2018-19 i.e., 24%. Person days Generated ratio is very small as compared with beginning of the scheme due to not issuing new cards.
5. The caste wise person day generated scheme in which there is an improvement in generation of ST and BC person day in Telangana state. Participation ratio of community wise SC, minorities and others ratio is very less due to agriculture and other activities.
6. The average day of Employment provided per household under the scheme has been increased from 42.19% to 46.53%. Due to the wage rate is very less.
7. The Average wage rate per day per person under scheme has been increased i.e., Rs 133.25 to 148.42 (11.38%). Increased in wage rate is very less as compared with market wage rates.
8. The number of households got 100 days of employment in the scheme has been decreased.

**Suggestions:-**Through the analysis of study very few recommendations such as:

1. Issue the new job cards for those who are new unemployed if demanding in rural area. So that, every years new unemployed beneficiaries will join under the scheme.
2. Increase the wage rate per day to beneficiaries due to that they can improve their economic status as well participation of no of days will be increase, 100 days of employment also increase and migration from rural to urban will decrease.

#### **References:-**

- 1) *Bairagya Ramsundar and Sarkar Shubhabrata, —A Critical Evaluation of MRNEGA: A Study on Birbhum District of West Bengal, India, Management and Administrative Sciences Review, Volume: 2, Issue: 2, 2013, pp.171-180.*

- 2) Das S. K. (2013), *A Brief Scanning on Performance of Mahatma Gandhi National Rural Employment Guarantee Act in Assam, India. Ame. J. of R. D. 1(3): 49-61.*
- 3) Usha Rani Ahuja, Dushyant Tyagi\*, Sonia Chauhan and Khyali Ram Chaudhary, 2011, *—Impact of MGNREGA on Rural Employment and Migration: A Study in Agriculturally-backward and Agriculturally-advanced Districts of Haryana*
- 4) Mitra, Arup; Murayama, Mayumi, 2008 *—Rural to Urban Migration: A District Level Analysis for India*
- 5) Naomi Jacob, 2008, *—The Impact of NREGA on Rural-Urban Migration: Field survey of Villupuram District, Tamil Nadu*
- 6) Kunal Keshri, R B Bhagat, 2012, *—Temporary and Seasonal Migration: Regional Pattern, Characteristics and Associated Factors*.
- 7) Paulomee Mistry, Disha Anshuman Jaswal, 2009 *—Study of the implementation of the National Rural Employment Guarantee Scheme (NREGS)-Focus on Migration*
- 8) <https://nrega.telangana.gov.in/Nregs/>