MISMATCH IN MGNREGA: POLITY

NEWS: Mismatch between MGNREGS coverage, delivery, says report

WHAT'S IN THE NEWS?

Despite an 8.6% rise in registered households under MGNREGS in 2024–25, average workdays per household declined, with only 7% getting full 100-day employment. The LibTech India report highlights budget shortfalls, wage delays, and regional disparities, calling for urgent policy and implementation reforms.

1. Context of the Report

- LibTech India released a report evaluating the performance and delivery of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for FY 2024–25.

- The report raises critical concerns regarding the scheme's implementation, especially related to employment delivery and regional disparities.

2. Key Findings of the Report

a. Increased Coverage but Reduced Work

- Number of registered rural households under MGNREGS increased by 8.6%, from 13.80 crore in 2023–24 to 14.98 crore in 2024–25.

- However, actual employment persondays declined by 7.1%.

- Average employment per household dropped from 52.42 days to 50.18 days—a 4.3% fall, indicating underutilization despite rising demand.

b. Low Access to Full Entitlement

- Only about 7% of households received the full 100 days of guaranteed employment as mandated under the MGNREGA Act.

c. Regional Disparities

- Decline in workdays reported in:

  - Odisha: 34.8%

  - Tamil Nadu: 25.1%

  - Rajasthan: 15.9%

- Increase in workdays reported in:

  - Maharashtra: 39.7%

  - Himachal Pradesh: 14.8%

  - Bihar: 13.3%

3. Key Features of MGNREGA (2005)

a. Legal Employment Guarantee

- Provides legal right to 100 days of wage employment per rural household annually.

- Compensation must be paid if employment is not provided within 15 days of demand.

b. Funding Pattern

- Funded by the Centre and State in a 90:10 ratio.

- Budget is demand-driven, with no fixed limit if demand rises.

c. Worksite Requirements

- Mandates basic facilities like drinking water, shade, and first-aid at all worksites.

- Wages must be paid within 15 days after completion of work.

d. Decentralized Governance

- Panchayati Raj Institutions (PRIs) are the main implementing agencies at the grassroots level.

- Emphasizes decentralized planning and execution, enhancing local accountability.

4. Objectives of the Scheme

a. Livelihood Security

- Provides a social safety net for rural poor through assured wage employment.

b. Asset Creation

- Focuses on creating durable, productive rural assets like water bodies, roads, soil conservation, and irrigation.

c. Social Inclusion

- Prioritizes participation of women, SCs, and STs to promote equity and empowerment.

5. Nationwide Implementation and Impact

a. Expansion of Coverage

- Started in 200 districts in 2006 and now covers all rural districts across India.

b. Increased Women Participation

- Women's share of work under MGNREGA rose from 48% in 2013–14 to over 58% in 2024–25, indicating positive gender inclusion.

c. Rural Asset Generation

- The scheme has created over 8.07 crore rural assets, improving infrastructure and environmental sustainability.

6. Major Implementation Challenges

a. Inadequate Budget Allocation

- Only ₹86,000 crore was allocated in FY 2024–25.

- This is significantly lower than the ₹2.64 lakh crore recommended by People's Action for Employment Guarantee (PAEG), leading to funding shortages.

b. Delayed Wage Payments

- Workers face long delays in receiving wages, discouraging future participation and undermining trust in the scheme.

c. High Deletion of Workers

- Between 2022 and 2024:

    - 7.8 crore workers were deleted from the scheme database.

    - Only 1.92 crore new workers were added, raising questions about exclusion, data pruning, and accessibility.

7. Way Forward

a. Adequate Budgeting

- Timely and sufficient budgetary allocations must be made to match the scale of rural demand and prevent work shortages.

b. Prompt Wage Disbursal

- Digitize and streamline wage payments using DBT and Aadhaar-linked systems to reduce delays and promote trust among workers.

c. Monitoring and Grievance Redressal

- Enhance monitoring mechanisms to detect state-level discrepancies and exclusionary practices.
- Develop a transparent grievance redressal framework for workers denied work or payments.

d. Ensuring Equity in Access

- Prevent unjust deletions and ensure inclusion of marginal and vulnerable households.
- Use social audits and community monitoring to increase accountability.

e. Strengthening Local Institutions

- Provide capacity-building support to Panchayats for planning, implementation, and asset maintenance.

8. Conclusion

- MGNREGS remains a critical tool for rural livelihood security and asset creation, but its effectiveness is currently hampered by underfunding, data management issues, and implementation gaps.
- The LibTech India report highlights the urgent need for policy corrections and administrative reforms to preserve the integrity and intent of the world's largest employment guarantee programme.

Source: https://www.thehindu.com/news/national/mismatch-between-mgnregs-coverage-delivery-says-report/article69594435.ece