



National Rural Employment Guarantee Programme: A Review

National Rural Employment Guarantee Programme (NREGA) has been in operation for over ten years and is being implemented in all the districts of this country. NREGA has turned out to be one of the most fascinating schemes launched by the State, generating lots of expectations because of the success story it has turned out to be.

Many executional problems and criticisms of certain aspects of the scheme notwithstanding, NREGA is the flagship scheme which has become the principal vehicle for extension of government benefits to the unemployed masses of this country. The changes in the quality of people's life could be easily noticed in the countryside as also the massive infrastructures created under the scheme. The purchasing power generated has also created positive spin-offs and multiplier effects for the economy as a whole.

However, the programme does require some structural and conceptual modifications to be better able to realise its objectives in the light of experience gained during its operation over the years. It is very well known that almost all the districts across the country have not been able to harness the benefits of the scheme uniformly as the performance varies from state to state. Not only this, none of the districts could realise the target of providing 100 days of employment to all the job card holders even though financial allocations for the programme have never been a constraint.

It is argued that NREGA being a demand-driven scheme, the emphasis should be on provisioning of employment to those demanding work rather than on expenditure of fund allotted. But the fact remains that there are still hundreds of thousands of people in need of work in this country. It is felt that the implementing agencies, i.e., district administration and various line departments could be and need to be more proactive in reaching out to the people needing work through better 'information-education-awareness' (IEC) programme. Many people still do not know that they can rightfully demand work under NREGA and shall be paid an 'Unemployment Allowance' in case of failure to provide the same within 15 days of demanding work.

A regional variation in terms of utilisation of allotted amount has been observed as some states have availed of larger amounts compared to many others. Many states including Rajasthan, Andhra Pradesh, West Bengal, and Kerala have done exceedingly well in terms of fund utilisation and number of schemes executed. The same has resulted in creation of massive purchasing power of the local people in those states, while many other states have also started catching up, West Bengal being one of them.

If still many people do not come forward to do work under NREGA, the reason for the same is said to be the availability of work at higher wages in the private sectors than the one provided under NREGA, resulting in less utilisation of the allotted funds. This explanation may be tenable for the relatively developed states or for the urban areas even in the backward states, but definitely not for the rural and underdeveloped areas in states like Bihar, Jharkhand, Odisha, or Uttar Pradesh. These states definitely should have been able to utilise more money providing more number of employment than they have been able to do so far.

One feels that as the Indian economy grows at the sizzling rate of over seven per cent, there shall be more people attracted to work at the more attractive market wage rates than the minimum wage ranging from 150 to 250 as provided under NREGA. Since no state has been able to provide hundred days of employment to all its citizens, there is definitely a need to take the required corrective measures to reach the said target.

Knowing that employment would be available for asking in the villages itself, the wage labourers will be less motivated to head towards the urban areas for seeking wage employment thereby reducing migration from village to cities. The same shall also reduce pressure on urban amenities and infrastructures. As a result, there is likely to be enough work left for the urban workers. As there shall be less number of persons competing for work in the urban areas, it is likely that the urban wage labourers would get higher and more rewarding wages. It is felt that the same reduces the need for the government to formulate any such wage employment guarantee programme for the urban workers.

The objective of the scheme includes not only provisioning of guaranteed employment in the rural areas to discourage rural-urban migration, but also to create gainful assets in the countryside. It is, therefore, advisable for the government to keep revising the minimum wages from time to time to reflect the market wages as also to diminish attraction of higher wage employment s as might be available in the urban areas. If this does not happen, people would not feel encouraged to stay back in the villages to work for NREGA schemes thereby reducing the opportunities to create basic amenities and civic infrastructures in the rural areas.

It is felt by many that NREGA being a demand-driven programme, people should be willing to do the work at the government approved rates, which is the minimum wage sufficient to sustain a household per day. If the people are getting work at higher wages elsewhere, they should go ahead and do it. This would result in saving of government money which can be better utilised for implementation of other ongoing welfare programmes run by the government including NREGA as well as for undertaking more material-intensive schemes.

During rainy season and other such busy seasons which may vary from state to state, people get higher wages in the rural areas itself thereby leaving very few volunteers for wage

employment works in the countryside thereby resulting in less utilisation of the NREGA money. But one would say that less or more utilisation of NREGA allotment should not be a criterion to judge the success of the programme. Less utilisation may also mean that there is less demand for such work in that particular area. This should actually be seen as a development indicator as that means people are getting work at higher wages elsewhere, thereby reducing dependence on government to provide such wage employment.

However, one does find it surprising when one sees that work demanded is significantly less even in those areas where people living below the poverty line are more than the usual and are still not demanding work under NREGA. It feels more surprising when such people keep sitting idle without doing any work, while plenty opportunities could be created under NREGA for not only providing them with work, but also for creating productive assets in the countryside resulting in enhancement of basic quality of life for the inhabitants.

So, it does feel that there has not been done enough ground work for creating awareness about the programme. It has been observed that people are still not aware of the fact that they can demand work under NREGA as a matter of their right. Most of them are still not aware of their right to demand unemployment allowance as a result of implementing agency's failure to provide the work within the statutory fifteen days of the receipt of petition demanding such a wage employment. The necessary allocations for such IEC exercises also remain unutilised in a good number of cases. One is sure that with more active intervention and monitoring, this flagship government scheme shall be able to realise its goals.

Salient Points

- NREGA is the flagship scheme which has become the principal vehicle for extension of government benefits to the unemployed masses.
- Programme does require some structural and conceptual modifications to be better able to realise its objectives.
- Many people still do not know that they can rightfully demand work under NREGA and shall be paid an 'Unemployment Allowance' in case of failure.
- Once implemented in true spirit, NREGA will reduce migration from village to cities, reduce pressure on urban amenities and infrastructures and enough work would be left for the urban workers.
- Less or more utilisation of NREGA allotment should not be a criterion to judge its success. Less utilisation may also be a development indicator as there is less demand for such work in that particular area.
- With IEC, more active intervention and monitoring, this flagship government scheme shall be able to realise its goals.