

# MGNREGA: AN EVALUATION IN HIMACHAL PRADESH

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### **ABSTRACT**

The National Rural Employment Guarantee Scheme (NREGS) is a flagship poverty alleviation programme of the Government of India, which seeks to guarantee at least 100 days of employment every year to the rural poor. The study is based on secondary data of Himachal Pradesh for the years 2016-17 to 2021-22. The results have been calculated by simple Percentage and Average methods. It was observed that the availability of funds has shown an increasing trend in Himachal Pradesh during reference period. Further, the expenditure has shown a mixed trend in the State under MNREGS. Out of total job cards issued, the percentage of issued job cards is highest in case of others than SC and ST households. Another aspect is that, out of the total employment generated, the percentage of employment to women shows an increasing trend in the State. Further study revealed that MNREGS could not generate enough employment opportunity and 100 days' employment to household in the rural areas. The present study can help the different stakeholder's/govt. agencies of MGNREGA in understanding how this scheme be as poverty alleviation programme in the State and academicians/researchers to carry on further research i.e. availability of funds, households' demanded employment etc.

**Keywords:** Households; Availability; Employment; Utilization; Poverty.

### INTRODUCTION

Unemployment and poverty are two major challenges which the world economy at present in confronting including India. It is widely believed that there was a job crisis before the 2008 financial crisis and a structural unemployment problem as a result of jobless growth in many areas of the world. It is true that in the post globalization period, some economies in the world have witnessed after growth, but a large segment of population in those economies have remained beyond the purview of such growth due to inefficiency of the entire system to create sufficient jobs. Thus, growth has also increased poverty. As such, there has been a wider case for public employment programs as a part of ongoing employment and social protection policies (Ghosh and Chattopadhyay, 2013).

The National Rural Employment Guarantee Scheme (NREGS) is a flagship poverty alleviation programme of the Government of India, which seeks to guarantee at least 100 days of employment every year to the rural poor or enhance livelihood security by 100 days of employment a year to one member of every rural unemployed family. The programme also termed as Mahatama Gandhi NREGA (MGNREGA) in 2<sup>nd</sup>October 2009 (Chahal and Kumar, 2020).

Under Mahatma Gandhi NREGA during FY 2020-21, a total of 389 crore person-days have been generated, which is 47 percent more than the employment generated during the FY 2019-20. During FY 2020-21, a total of 1.89 crore new job cards, have been issued and a total of 7.55 crore households have been provided employment which is 38 percent more than the previous financial year. During 2021-22, (as on 03-08-2021) a total of 54.8 lakh job cards have been provided employment. During the FY 2020-21, an amount of 1,11,170.86 crore has been released



and during the current FY 2021-22, (as on 02-08-2021), an amount of Rs. 46152.82 crore has been released under the scheme. Recent data available on the NREGA portal shows that at least 6.5 lakh households have already completed 100 days of employment under the Mahatma Gandhi National Rural Employment Act (MGNREGA) in five months of the current financial year. The data also shows that about 19.58 lakh households have completed between 71 and 80 days of work. In the last six years, the number of households completing 100 days of employment under the scheme has been in the range of 24-52 lakh but it is expected to reach a new high during the current financial year (Tasheen, 2021).

During the year 2014-15 Central share amount to Rs. 28,569.29 lakh and State share amounting to Rs. 3,163.57 lakh have been credited in the State Employment Guarantee Fund Account. The total availability of funds with the Districts is Rs. 33,770.58 lakh is available in the State Employment Guarantee Fund account against which the funds were amounting to Rs. 31,533.94 lakh have been utilized, and 132.68 lakh person-days have been generated by employing 3,82,250 households (Government of Himachal Pradesh, 2015).

During the year 2021-22 Central share amount to Rs. 66,625.83 lakh and State share amounting to Rs. 8,029.91 lakh have been credited in the State Employment Guarantee Fund Account. The total availability of funds with the Districts is Rs. 1,03,682.36 lakh is available in the State Employment Guarantee Fund account against which the funds amounting to Rs. 1,03,412.37 lakh have been utilized and 255.73 lakh man days have been generated by providing employment to 6,06,182 households (Government of Himachal Pradesh, 2022).

## **OBJECTIVES OF THE STUDY**

The main objective of MNREGS is to provide wage employment opportunities to the rural poor. The present study has been undertaken to achieve the following objectives:

- to study availability and expenditure of funds under MGNREGA in H.P.
- ii. to study the number of households demanded employment and provided employment in Himachal Pradesh.
- iii. to study the total person days generated and person days generated by SC, ST, and women under MGNREGA in State
- iv. to study the number of households who completed 100 days of employment under MGNREGA in reference period.

#### MATERIAL AND METHODS

The present study shows MGNREGA as poverty alleviation programme in Himachal Pradesh and the reference period selected for the study includes 2016-17 to 2021-22. In the present study, secondary data have been used and collected from different journals, Economic Survey of Himachal Pradesh and relevant issues of Annual Progress Report (APR) and Management Information System published by the Department of Rural Development, Government of Himachal Pradesh, Shimla. Simple averages, ratio and percentages have been calculated.

### RESULTS AND DISCUSSION

The main objective of MNREGS is to provide wage employment opportunities to the rural poor. To achieve this objective the state government of Himachal Pradesh has been spending huge sums of money on various aspects under MNREGS in the state. At this point it is important to find out the position with regard to the use of funds and expenditure incurred under MNREGS programme in the State. Thus, Year-wise detail of total available funds and expenditure incurred at



the state level has been shown in Table 1.

Table 1
Year-wise available Funds and Expenditure under MNREGS in Himachal Pradesh

Year	Total Available Funds	Expenditure	Closing Balance	
2016-17	56863.25	56265.40	597.83	
2010-17	(100.00)	(98.94)	(1.06)	
2017.10	57214.15	56777.01	437.14	
2017-18	(100.00)	(99.24)	(0.76)	
2019 10	83693.54	83405.11	288.45	
2018-19	(100.00)	(99.66)	(0.34)	
2019-20	71016.11	70713.52	302.59	
2019-20	(100.00)	(99.57)	(0.43)	
2020-21	101683.33	98839.67	2843.66	
	(100.00)	(97.20)	(2.80)	
2021 22	103682.36	103412.37	270.01	
2021-22	(100.00)	(99.73)	(0.27)	

Source:

- (i) Public Information Officer, Department of Rural Development, Government of Himachal Pradesh, Shimla.
- (ii) MIS reports on MNREGS retrieved from www.mnregs.nic.in.
- (iii) Figures in parenthesis represent percentage.

Table 1 depicts that the availability of funds shown an increasing trend between years 2016-17 to 2021-22. The availability of funds under MNREGS during the year 2016-17 was of Rs. 56863.25 lakh at the State level, which increased to Rs. 103682.36 lakh in the year 2021-22.

Further, Table 1 also depicts the expenditure incurred at the State level under MNREGS. The percentage of utilization of funds was 98.94 per cent, 99.24 per cent, 99.66 per cent, 99.57 per cent 97.20 per cent and 99.73 per cent in the year 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 respectively.

The utilization of funds under MNREGS has been found encouraging one. Because maximum utilization of funds have been done in all the years. The percentage of utilization of funds remained above 95.00 per cent.

The physical performance of MNREGS in Himachal Pradesh is usually reviewed on the



data based and compiled from the Annual Progress Reports and Management Information System maintained by the Department of Rural Development at the state level. The physical performance under MNREGS is usually reviewed in terms of households issued job cards, households demanded employment, employment generated, person days generated, households provided 100 days of employment at the State level in Himachal Pradesh.

Year-wise performance on job cards issued and employment demanded at the state level in Himachal Pradesh has been enumerated in Table 2.

The Table demonstrates that in the year 2016-17 a total of 11,92,801 job cards have been issued under MNREGS at the State level in Himachal Pradesh. This number has increased to 14,20,468 in the year 2021-22. Out of total job cards issued, the percentage of issued job cards is highest in case of others than SC and ST households. The percentage of issued job cards to others was 66.98 per cent, 67.09 per cent, 67.27 per cent, 67.39 per cent, 67.89 per cent and 68.13 per cent in the year 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 respectively.

Table 2
Year-wise details of Households Issued Job cards, Households demanded and Employment
Provided in Himachal Pradesh (in numbers)

	Households	Job Cards Issued			Households	Households
Year	Issued Jobs Cards	SC	ST	Others	Demanded Employment	Provided Employment
2016-	1192801	321046	72928	798827	569620	528840
17	(100.00)	(26.91)	(6.11)	(66.98)	(47.75)	(92.84)
2017-	1211178	324594	73952	812632	550764	511366
18	(100.00)	(26.81)	(6.10)	(67.09)	(45.47)	(92.84)
2018-	1244051	330801	76346	836904	592370	553640
19	(100.00)	(26.59)	(6.14)	(67.27)	(47.61)	(93.46)
2019-	1281217	338736	79009	863472	580573	535410
20	(100.00)	(26.44)	(6.17)	(67.39)	(45.31)	(92.22)
2020-	1362003	354171	83207	924625	672729	636629
21	(100.00)	(26.00)	(6.11)	(67.89)	(49.39)	(94.63)
2021-	1420468	366573	86059	967836	741810	688209
22	(100.00)	(25.81)	(6.06)	(68.13)	(52.22)	(92.77)

Source:

- (i) Public Information Officer, Department of Rural Development, Government of Himachal Pradesh, Shimla.
- (ii) MIS reports on MNREGS retrieved from www.mnregs.nic.in.
- (iii) Figures in parenthesis represent percentage.

Whereas the percentage of job cards issued to Scheduled Castes during the year 2016-17 was 26.91 percent, which with decreasing trend has decreased to 26.81 per cent in the year 2017-18. Then it decreased to 26.59 per cent in the year 2018-19. Then it decreased to 26.44 per cent in the year 2019-20. Further, it has decreased 26.00 per cent and 25.81 per cent in the year 2020-21 and 2021-22 respectively.



The percentage of job cards issued to Scheduled Tribes in the year 2016-17 was 6.11 percent which decreased to 6.10 per cent in the year 2017-18. During the year 2018-19, 2019-20, 2020-21 and 2021-22 this percentage was 6.14 per cent, 6.17 per cent, 6.11 percent and 6.06 percent respectively.

On the other hand, the Table 2 also shows that out of total issued job cards the percentage of households demanded employment under MNREGS shows a mixed trend. In the first year the percentage of households demanded employment was 47.75 per cent, which decreased to 45.47 per cent in 2017-18. In the year 2018-19 this percentage increased to 47.61 per cent. Further, Table 2 also reveals that it decreased to 45.31 per cent, 49.39 per cent and 52.22 per cent respectively.

MNREGS is a programme aimed at providing 100 days of guaranteed employment to rural household in a year. The effectiveness of this scheme depends on the generation of employment opportunities in the rural areas. In the assessment of progress one has to evaluate the extent of employment generated to the rural households. The category-wise and year-wise details of employment generated under MNREGS as the State level has been shown in Table 3.

Table 3
Year-wise and Category-wise details of Employment Generated under MNREGS in Himachal Pradesh (Person days in Lakh)

Year	Employment Generated to			Total Employm <mark>ent</mark>	Employment generated to	Employment generated to
	SC	ST	Others	generated	women	disabled
2016-17	65.63	18.88	152.09	236.60	146.22	0.01629
	(27.74)	(7.99)	(64.27)	(100.00)	(61.80)	(0.007)
2017-18	61.26	16.81	141.98	220.05	135.51	0.01439
	(27.84)	(7.64)	(64.52)	(100.00)	(61.58)	(0.007)
2018-19	78.31	24.29	182.53	285.13	180.42	0.01480
	(27.46)	(8.52)	(64.02)	(100.00)	(63.28)	(0.005)
2019-20	70.01	25.82	163.36	259.19	162.63	0.01353
	(27.01)	(9.96)	(63.03)	(100.00)	(62.75)	(0.005)
2020-21	87.58	30.33	218.28	336.19	205.26	0.01662
	(26.05)	(9.02)	(64.93)	(100.00)	(61.05)	(0.005)
2021-22	92.16	25.71	235.21	353.08	220.39	0.01798
	(26.10)	(7.28)	(66.62)	(100.00)	(62.42)	(0.005)

Source: (i) Public Information Officer, Department of Rural Development, Government of Himachal Pradesh, Shimla.

- (ii) MIS reports on MNREGS retrieved from www.mnregs.nic.in.
- (iii) Figures in parenthesis represent percentage.

The Table 3 reflects that in the year 2016-17 a total 236.60 lakh of person days have been generated to rural households, which decreased to 220.05 lakh during the year 2017-18. In the



year 2018-19 it increased to 285.13 lakh person days. In the year 2019-20 it decreased 259.19 lakh person days. Further, it increased to 336.19 and 353.08 lakh person days during the year 2020-21 and 2021-22 respectively. Out of total employment generated, the percentage of employment generated to others is higher than the employment generated to SC and ST households. The percentage of employment generated to other during the year 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 was 64.27 percent, 64.52 percent, 64.02 percent, 63.03 percent, 64.93 percent and 66.62 percent respectively. Out of total employment generated, the percentage of employment generated to Scheduled Caste during the year 2016-17 was 27.74 per cent, which increased to 27.84 per cent in the year 2017-18. Then it decreased to 27.46 per cent in the year 2018-19. Further, it decreased to 26.05 per cent in the year 2020-21. Then it decreased to 26.10 per cent in the year 2021-22. The percentage of employment generated to Scheduled Tribes in the year 2016-17 was 7.99 per cent, which decreased to 7.64 per cent in the year 2017-18. During the years 2018-19 and 2019-20 this percentage is 8.52 per cent and 9.96 per cent respectively. Further, during the years 2020-21 and 2021-22 this percentage is 9.02 per cent, and 7.28 per cent respectively. On the other hand, Table 3 depicts that, out of total employment generated, the percentage of employment to women shows in mixed trend. From 61.80 per cent in the year 2016-17 the percentage of employment generated to women have decreased to 61.58 per cent in the year 2017-18. During the years 2018-19 and 2019-20 this percentage was 63.28 per cent and 62.75 per cent respectively. Further, it was 61.05 per cent and 62.42 per cent in the years 2020-21 and 2021-22 respectively. The percentage of employment generated to disabled person in the State remained below 1 percent.

On the basis of above data, it can be concluded that the participation of women in the MNREGS has increased in the State. It is evident from the above Table 3 that the prescribed guidelines, i.e. out of total employment generated, 33% of employment generated should be reserved for women, have been achieved during all the financial years. Year wise performance of providing 100 days of employment to rural households has been presented in Table 4 below:

Table 4
Households Provided 100 Days of Employment under MNREGS in Himachal Pradesh

Year	Total Households Provided Employment	Households Provided 100 Days of Employment	Total Person Days (in lakhs)	Average Person Days
2016-17	528840	11123 (2.10)	236.60	45
2017-18	511366	14094 (2.76)	220.05	43
2018-19	553640	70321 (12.70)	285.13	52
2019-20	535410	61192 (11.43)	259.19	48
2020-21	636629	89168 (14.00)	336.19	53
2021-22	688209	65296 (9.50)	353.08	51



Source: (i) Public Information Officer, Department of Rural Development, Government of Himachal Pradesh, Shimla.

- (ii) MIS reports on MNREGS retrieved from www.mnregs.nic.in.
- (iii) Figures in parenthesis represent percentage.

Table 4 clearly shows that the percentage of rural households provided with 100 days employment in a year is very low. During the year 2020-21 the percentage of household provided 100 days of employment is highest, that is 14.00 per cent. And during 2016-17 this percentage is at the lowest that is 2.10 per cent. The average person days generated at the State level under MNREGS, during the years 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 is 45 person days, 43 person days, 52 person days, 48 person days, 53 person days, and 51 person days, respectively.

It can be inferred from the above Table 4 that MNREGS could not generate enough employment opportunities and 100 days employment to households in the rural areas. The average person days per household remained below 50 days in a year except in the years 2018-19, 2020-21, and 2021-22 in which the average person days was 52, 53 and 51 days per household respectively.

### CONCLUSION AND RECOMMENDATIONS

From the foregoing analysis it is observed that the availability of funds showed an increasing trend in Himachal Pradesh. Further, it is pointed out that study depicts the expenditure incurred showed a mixed trend at the state level. As far as physical achievements are concerned, out of total job cards issued, the percentage of issued job cards is highest in case of others than SC and ST households. It is also found that out of total issued job cards the percentage of households demanded employment and provided employment under MNREGS showed a mixed trend in Himachal Pradesh. Out of total employment generated the percentage of employment to women showed an increasing trend in the State. The percentage of employment generated to disabled person in the State was very low i.e. below 1 percent. Lastly, it is observed that the percentage of rural households provided with 100 days employment in a year were very low.

Thus, it can be concluded that MNREGS could not generate enough employment opportunities or 100 days' employment to household in the rural areas of Himachal Pradesh.

However, MGNREGA has shown a significant improvement in different aspects like funds expenditure, issued job cards etc. in the State. Another important aspect of the MGNREGA is the increasing person days generated by women which were 63.28 per cent in 2018-19.

But, there is still much to do in achieving progress in various aspects like availability of funds, households demanded employment/provided employment and 100 days employment etc., which needs a comprehensive perspective and the academicians need to carry on further research on these aspects also.

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