

Employment Generation and Livelihood: Special Reference to MGNREGA Scheme in Ranchi District of Jharkhand

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Abstract

The purpose of this article is to explore the employment conditions of the people living in the Ranchi district of Jharkhand, examine the status of the implementation of MGNREGA scheme in the State and study the merits of MGNREGA and its impact on the livelihood of the state. The research study has been conducted in Ranchi district of Jharkhand. The timeline for the study is from the year 2019-2020 to 2023-2024. The study is based on both exploratory and descriptive research design. The secondary sources of data were used for obtaining information from the population on various aspects of MGNREGA. The researcher observed that the introduction of the MNREGA has not made any significant difference and change in the living conditions of people in the Ranchi district. It was also noted that the employment rate has declined over these years. There was a huge gap in the demand and supply of employment. However, the only positive aspect of the scheme was that it led to an increment in the engagement of women labour force in the Ranchi district.

Keywords: MNREGA, Employment, Unemployment, Poverty, Labourers. Livelihood Security, Poverty Alleviating, Employment Generation

Introduction

The problem of unemployment has always been a major concern for the government of India. The government has continuously put an effort in introducing various schemes to tackle the problem of unemployment. One of such an important scheme is the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) earlier named as National Rural Employment Guarantee Act (NREGA) was enacted on 25 August 2005 and later renamed as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on 2 October 2009. The Government of India created the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) as a social security and job creation initiative. The MGNREGA scheme provides rural households with a guarantee of 100 days of paid employment over the course of a fiscal year, enhancing livelihood security and lowering poverty in rural areas. MGNREGA focuses on unskilled manual labour in order to give rural residents job possibilities. Every rural household whose adult members agree to perform unskilled manual labour is guaranteed employment under the programme within 15 days of application, provided that certain requirements are met.

The scheme was initially adopted in 200 districts, and presently it covers all 739 districts across the nation. The main goals and objectives of the MGNREGA programme are to end rural poverty through fostering rural employment, minimising rural-urban migration, and improving rural infrastructure. The major goal of this study is to understand the operational schemes and permissible works, to examine how MGNREGA contributes to budget allocation, employment creation state-by-state, and to assess the program's current situation in India.

The principle features of MGNREGA scheme are:

- 1. Employment Guarantee:** The MGNREGA scheme ensures that every household will have 100 days of employment throughout a fiscal year with at least one-third of the workforce being women.
- 2. Payment of Wages:** The workers are entitled to prompt payment of wages which is usually done once per week. The earnings must not be less than the minimum wage and are governed by the applicable state's Minimum Wage Act.
- 3. Local Self Government:** The scheme encourages participatory planning by incorporating gram panchayats in the project selection and planning processes. It seeks to improve local decision making and accountability in the execution of the scheme.
- 4. Asset Creation:** MGNREGA lays strong emphasis on the development of durable assets which will benefit the surrounding community and promote rural development. These resources include afforestation, infrastructure in rural areas, water conservation structures, and connection in rural areas.
- 5. Convergence:** In order to maximise the impact and outcomes, the programme supports integration with other schemes such as the Pradhan Mantri Krishi Sinchayi Yojana (irrigation plan), Swachh Bharat Mission (cleanliness campaign), and Pradhan Mantri Awas Yojana (housing scheme).
- 6. Social Audit:** The MGNREGA scheme integrates social auditing to foster accountability and transparency in the execution process. The community organisations regularly audit the progress and money expenditure.

Literature Review

Tushar Kanti Das (2016)¹, explained that the MGNREGA scheme supported the widespread village construction programmes. The programme did not distinguish between skilled/educated workers and illiterate/unskilled people. The programme did not offer advice to households that applied for jobs with higher living standards, staying loyal to what the "right to work" entails. In this paper, the researcher identified the lack of knowledge as a major barrier that manifested itself in a lack of understanding of minimum wage, unemployment benefits, accident benefits, employment options, and the overall MGNREGA process. There was no upper age limit for the programme. The elderly people performed challenging work and fostered a sluggish work culture in the recipients. The infrastructure built to tackle poverty and stimulate growth were of questionable quality. The success of the scheme subjected to a variety of limitations. The recipients were largely illiterate. By taking advantage of this, the middlemen benefitted by paying less to the beneficiaries after receiving their fees from a bank or a post office.

A. Kumar & P.C Deogharia (2017)², observed that a large number of the sample households (almost 80 percent) were availing the benefits of MGNREGA. However, there were extremely few working days, which made it impossible to stop migration. Due to the low accessibility of jobs in rural areas, it was noted that female population made up the majority of MGNREGA workforce in rural areas. The impact of MGNREGA on people's livelihoods is not particularly promising due to fewer days of labour and the

resulting low earnings. However, the MGNREGA's influence on wage rates in various sectors and improved infrastructure have led to an increase in agricultural productivity. Overall, the MGNREGA-related amenities are also acceptable.

Rajat Singh Yadav and Ritika Gupta (2023)³, examined how local participation in decision-making ensured the success of MGNREGA in tribal areas. He demonstrated how two blocks' gram sabhas and panchayats operated differently in terms of meetings, responsibility, transparency, rules, participation, and MGNREGA development projects.

Dr. Mohammad Taufique, Dr. Md Areful Hoque, Md Reza Kaushar Hasmi (2023)⁴, stated in their paper that with the help of MGNREGA scheme for the first time, the rural women had access to secure employment. The central government should pay attention to One Nation-One Wage system for MGNREGA scheme to deal with the issue of different salary rates of the states. The researchers suggested that the government should raise the MGNREGA workers' hourly wages and offer landless families, women and BPL (Below Poverty Line) individuals 200 days of labour instead of 100 days. They also suggested the promotion of the scheme by appointing a Brand Ambassador.

Mr. M. Muthumari, Dr.S.Meenakumari and Dr.I.Nagarajan (2023)⁵, explained in their paper that MNREGA scheme had a positive influence on the socio economic conditions of the female population. It led to a change in the attitude of the beneficiaries by reducing the level of poverty through employment initiatives. The researchers also suggested to include widows, disabled and single women with the scheme to enhance the impact of the scheme.

Jagadees Pandi (2019)⁶, discovered in his paper that the rural population were more inclined to get employed under MGNREGA. The scheme ensured equal wages to both males and females. It had a positive effect on the migration of the workers to nearby towns. The researcher suggested an improvement in the worksite facilities such as child care, provision of shade and first aid facilities which as a result will help in the enhancement of the working conditions under MGNREGA and thereby increasing work force participation.

Objectives of the study

The present study has been undertaken with the following objectives:

1. To explore the employment status of the people living in the district of Ranchi.
2. To understand the working mechanism of MGNREGA scheme.
3. To assess the impact of the scheme in the district of Ranchi
4. To provide suggestions to the problems occurring in the mechanism of the scheme.

Research Methodology

The study has been conducted in 18 blocks of Ranchi district of Jharkhand. The 18 blocks that comes under the district of Ranchi are Angara, Bero, Bundu, Burmu, Chanho, Itki, Kanke, Khelari, Lapung, Mandar, Nagri, Namkum, Ormanjhi, Rahe, Ratu, Silli, Sonahatu and Tamar. The study is based on the secondary sources of data. To fulfill the objectives of this paper, the relevant data has been collected from the official website of the Ministry of Rural Development, Government of India, MGNREGA and various research journals and research papers.

Results & Discussion

Performance of MGNREGA in Ranchi District of Jharkhand

Table 1: Performance of MGNREGA in Ranchi District

State: Jharkhand District: Ranchi			Data		
Total No. of Blocks			18		
Total No. of GPs			305		
I. Job Card					
Total No. of Job Cards Issued (in Lakhs)			3.45		
Total No. of Workers (in Lakhs)			5.27		
Total No. of Active Job Cards (in Lakhs)			1.45		
Total No. of Active Workers (in Lakhs)			1.85		
i) SC worker against active workers (%)			5.31		
ii) ST worker against active workers (%)			40.76		
II. Progress	FY	FY	FY	FY	FY
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Approved Labour Budget (in Lakhs)	42.79	54.51	45.07	40.75	37.71
Persondays of Central Liability so far (in Lakhs)	31.58	54.16	47.84	42.61	38.3
% of Total LB	73.8	99.36	106.16	104.57	101.57
% as per proportionate LB					71.61
SC persndays % as of total persondays	5.42	5.37	5.73	5.53	5.12
ST persondays % as of total persondays	42.17	40.73	37.14	38.18	39.16
Women Persondays out of Total (%)	42.03	43.97	46.13	46.85	46.32
Average days of employment provided per Household	43.41	42.22	42.97	45.35	45.33
Average Wage rate per day per person (Rs)	170.98	193.96	224.84	232.15	227.96
Total No of HHs completed 100 Days of Wage Employment	2,421	8,196	5,182	4,626	5,417
Total Households Worked (in Lakhs)	0.73	1.28	1.11	0.94	0.84
Total Individuals Worked (in Lakhs)	0.96	1.71	1.44	1.21	1.05
Differently Abled persons worked	257	394	299	303	273
III. Works					

Number of GPs with NIL exp	6	7	5	6	7
Total No. of Works Taken up (New+Spill Over) (in Lakhs)	0.5	0.73	0.84	0.76	0.54
Number of Ongoing Works (in Lakhs)	0.3	0.48	0.64	0.38	0.34
Number of Completed Works	19,843	25,874	19,906	38,858	20,170
% of NRM Expenditure (Public + Individual)	0	77.96	76.16	773.78	5.01
% of Category B Works	83.71	76.34	81.5	84.24	82.67
% of Expenditure on Agriculture & Agriculture Allied Works	0	97.74	98.72	98.09	87.03
IV. Financial Progress					
Total Exp (Rs. in Lakhs)	9,426.12	16,061.17	14,495.52	15,598.26	15,776.2
Wages (Rs. In Lakhs)	5,383.32	10,462.01	9,903.4	10,563.68	9,812.23
Material and skilled wages (Rs. In Lakhs)	3,496.38	4,997.3	4,083.47	4,418.23	5,234.09
Material (%)	39.37	32.33	29.19	29.49	34.79
Total Adm Expenditure (Rs. In Lakhs)	546.41	601.86	508.64	616.35	729.87
Admin Exp (%)	5.8	3.75	3.51	3.95	4.63
Average Cost Per Day Per Person (in Rs)	277.41	279.67	310.59	346.99	370.92
% of Total Expenditure through EFMS	99.99	99.98	100	99.67	100
% payments generated within 15 days	100	100	99.76	99.94	100

Source: https://nreganarep.nic.in/netnrega/all_lvl_details_dashboard_new.aspx?Fin_Year=2023-2024&Digest=WJEEpOm1k0Ptz2KJJGSoqA (visited on 09-03-2024)

Table 1 depicts the following findings:

1. The approved labour budget under the study period 2019-2020 to 2023-2024 was initially increased ₹ 42.79 lakhs to ₹ 54.51 lakhs in 2019-2020 and 2020-2021 but after that a continuous decline has been seen from ₹ 45.07 lakhs to ₹ 40.75 lakhs and then to ₹ 37.71 lakhs in 2021-2022, 2022-2023 and 2023-2024 respectively.
2. The total no. of workers registered under the scheme is 5.27 lakhs, out of which only 1.85 lakhs are active workers. Therefore, there is a decline in the employment rate.
3. The women labour force has a slight positive growth in the FY 2020-2021 to FY 2022-2023 from 43.97% to 46.86% but in the FY 2023-24 it declined to 46.32%.

Table 2: Employment Generated Under MGNREGA

State: JHARKHAND						
District: RANCHI						
Year		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
No. of Registered	Household	3,50,828	4,09,315	3,78,999	3,21,289	3,44,784
	Persons	7,59,636	8,45,547	7,14,647	5,10,444	5,26,278
No. of job card deleted in current year	Household	872	2,848	15,153	73,353	9,503
	Persons	3,462	7,907	51,001	2,29,933	25,815
No. of job card included in the current year	Household	12,467	57,751	13,646	15,174	32,112
	Persons	22,297	96,153	25,825	23,165	47,476
Cumulative no. of household issued job cards		3,31,716	3,69,847	3,46,289	2,97,274	3,04,141
Employment demanded	Household	89,646	1,60,270	1,24,562	1,05,973	1,00,316
	Persons	1,34,493	2,48,181	1,76,671	1,45,197	1,30,560
Employment offered	Household	89,363	1,60,253	1,24,548	1,05,957	1,00,299
	Persons	1,34,471	2,48,161	1,76,617	1,45,166	1,30,540
Employment availed	Household	72,759	1,28,275	1,11,355	93,943	84,496
	Persons	96,399	1,71,221	1,44,466	1,20,785	1,05,270
	Total persondays	3,15,81,733	54,16,196	47,84,450	42,60,716	38,30,288
	Persondays of States Liability	00	00	05	00	04
No. of families completed 100 days		2,421	8,196	5,182	4,624	5,417
No of disabled beneficiary individuals		257	394	299	303	273

Source: https://nregastrep.nic.in/netnrega/homestcity.aspx?state_code=34&state_name=JHARKHAND&flag=eng (visited on 09-04-2024)

Table 2 depicts the following findings:

1. The total number of registered households and persons has gradually declined in the last five years in the Ranchi district.
2. There is a decline in the employment demand of the population under this scheme.
3. There is a huge gap in the demand and supply of employment for the district of Ranchi.

Suggestions and Recommendations

1. It is crucial for the MGNREGA to be implemented successfully to appoint full-time specialists to implement it at the block and panchayat levels.
2. There is a huge need to raise awareness of MGNREGA.
3. All the blocks in the Ranchi district should undergo a thorough investigation, and where there are no issues with unemployment, MGNREGA funds might be shifted to other blocks with severe unemployment.
4. The efforts should be made to reduce the time gap between work done and payment received by rural laborers.
5. The MGNREGA staff should be awarded and accredited at the panchayat level which will raise their commitment to the scheme.

Conclusion

The scheme has faced difficulties in the generation of persondays over the years. There were insufficient funds for the implementation of the scheme. However, it helped in reducing poverty, empowering women and contributing in the development of the rural areas of Ranchi district. The government should make gram panchayats more functional and also introduce various reforms to address the challenges faced under this scheme and ensure better implementation and accountability.

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