

ROLE OF MGNREGA IN RURAL EMPLOYMENT: A STUDY IN VIZIANAGARAM DISTRICT OF ANDHRA PRADESH

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Abstract

MGNREGS also initiated the world's largest financial inclusion measure by providing poor people access to the formal banking system. The impact of this is yet to be assessed by experts in the field of financial management. Major objective of the NREGA is to enhance the livelihood security of the rural people by guaranteeing 100 days of wage employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work. The highest number of working days covered under MGNREGS works in all the sample mandal. This analysis shows that in the study area MGNREGS emerged as a source of providing high employment and income. Among the three categories of mandals, the income pattern coincides with the employment pattern. Hence, similar trends relating to employment are being reflected on their income pattern. Hence, in the study area MGNREGS emerged as a major source of income providing when compared to the other ongoing economic activities in the study area. The data pertaining to employment and income condition of the respondents during 2022-2023 indicates that the respondents are able to receive higher proportion of employment and income through MGNREGS works executed in the study area.

Keywords: rural household, employment, livelihood, Income, MGNREGS, caste, education

Introduction

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an Indian job guarantee scheme, enacted by legislation on August 25, 2005. On February 2, 2006, amidst great hype and hope, the MGNREGA came into force in 200 of India's backward districts. The scheme provides a legal guarantee for one hundred days of employment in every financial year to adult members of any rural household willing to do public work-related unskilled manual work at the statutory minimum wage. The law was initially called the National Rural Employment Guarantee Act (NREGA) but was renamed as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) on 2 October 2009. This act was introduced with an aim of increasing the purchasing power of the rural people, primarily in the area of semi or un-skilled work to people living in rural India, whether or not they are below the poverty line. MGNREGS is being implemented in Karnataka since 2006. Now it covers

all the 30 districts of the State. The objective is to ensure livelihood and food security by providing unskilled work to people through creation of sustainable assets.

Developing country like India needs inclusive growth for the overall development of the country. Inclusive growth is necessary for sustainable development and equitable distribution of wealth. In India, more than 70.00 per cent people live in rural areas and among rural population marginalized sections of the society are more vulnerable. In order to reduce the poverty, the inclusive growth should provide livelihood opportunities. In rural areas, still the problem of mass poverty is very severe even though India had already achieved an annual growth rate of more than 8.00 per cent in the Eleventh Plan. In this background, there is a need for the Government to enact the employment guarantee Act like Mahatma Gandhi National Rural Employment Guarantee Act, 2005. Its main objective is to enhance livelihood and food security to the rural poor by giving a minimum 100 days of guaranteed employment to adult members of the family who are interested to participate in the unskilled manual work in a financial year. MGNREGA started in three phases, first in 2006 covering 200 districts, second phase in 2007-08 covering another 130 districts and in the third and final phase the remaining all the districts have been notified under NREGA with effect from 1st April 2008. Thus, the whole nation was brought under the purview of MGNREGA with the exception of the districts which are having hundred per cent urban population. In 2nd October 2009 NREGA has been renamed as MGNREGA.

The Study used primary data. For in depth research, the Study covered three mandals which are located on the foot hill areas in Vizianagaram district of Andhra Pradesh, to analyse the impact of the MGNREGS programme. From each of these mandals, three villages were selected on the basis of the implementation of MGNREGS. From each village 20 sample respondents and each mandal 60 sample respondents are identified and thus the total respondents covered under is 180. Data are collected from only those respondents who are willing to share the information.

Objectives:

The main objective of the Study is to critically examine the impact of MGNREGS on selected sample households in Vizianagaram district.

The Specific Objectives of the Study are:

- ❖ To analyse the socio-economic and demographic features of the sample respondents in the Study area.
- ❖ Evaluation of the impact of MGNREGA on employment, income and savings of the MGNREGA workers in the three sample study areas.

Review of Literature

Suresh Kumar J and D. Shobana (2024) in their paper opined that the evaluation of Indian Social Security Programs and Initiatives reveals a complex landscape marked by notable

successes and persistent challenges. The critical role played by programs such as Pradhan Mantri Jan Dhan Yojana and Atal Pension Yojana in fostering financial inclusion and retirement security.

Veena Upadhyay (2022) paper observed that 56 per cent of the total employment generated for women through MGNREGA during 2015-16. The number of people working under MGNREGA was recorded at 7.96 crore in 2013-14, come down to 6.71 crore in 2014-15, but it increased to 7.21 crore in 2015-16, 7.65 crore in 2016-17 and it again increased to 7.76 crore during the year 2018-19.

Ram Narain Meena (2022) said that the lowest size of land holding, the total participation in MGNREGS work SC has participated 249 days (60%) and general 168 days (50%). In case of all land holding class the SC group has participated majorly in MGNREGS work and their participation rate is more than 80 from 2 Bigha and above.

Yankatappa Sabanna (2016) said that the Eleventh Five Year Plan marks a significant departure from the conventional way of looking at women in plan document. It tries to mark the centrality of women in all sectors. It explicitly recognizes, probably for the first time, that women are not just equal citizens but agents of economic and social growth.

Chopra (2014) carried out a study in Rajasthan and found out that the main reason of decline of MGNREGA in Rajasthan was primarily because of the supply-side. The paper also demonstrates that in Rajasthan, the greatest strengths of MGNREGA, i.e. demand-based nature and provisions that are transparent, and have been made its greatest shortcomings.

Dinesh Das (2012) suggested that one of the most distinguishing features of MGNREGA is its approach towards empowering citizen including women citizen to play an active role in the implementation of the scheme, through Gram Sabha, social audits, participatory planning and other activities.

Age Group of the Sample Respondents

The age of the sample respondents is crucial in this scenario as it directly impacts their capabilities. Therefore, research studies relying on primary data should prioritize this factor. Against this perspective in mind, the study aimed to illustrate the distribution of sample respondents according to their age. Table 1 presents these details. The highest number of the sample households are in the age group of 31-40 years across in all mandals i.e., Badangi 21(35%), Ramabhadrapuram 16(26.67%) and Makkuva 18(30%). The percentage of the sample households below 30 years of age is very minimal in all mandals in the study area. It is noticed that 30.56 per cent of the sample households are in the age group of 31-40 and 23.89 per cent of them in the age group of 61 & above years in the study area.

Table 1
Distribution of Sample Respondents by Age Group

Age Group (In Years)	Badangi		Ramabhadrapuram		Makkuva		Grand Total	
	No.	%	No.	%	No.	%	No.	%
Below 30	4	6.67	7	11.67	5	8.33	16	8.89

31-40	21	35.00	16	26.67	18	30.00	55	30.56
41-50	16	26.67	13	21.66	10	16.67	39	21.66
51-60	7	11.66	9	15.00	11	18.33	27	15.00
61 & above	12	20.00	15	25.00	16	26.67	43	23.89
Total	60	100.00	60	100.00	60	100.00	180	100.00

Source: Field Survey

Caste Category of the Sample Respondents

Caste is also recognized as a significant element in social hierarchy. The caste system holds a strong and enduring position in Indian society. This research categorizes castes into three groups: Other Backward Classes (OBC), Scheduled Caste (SC) and Scheduled Tribe (ST). Table 2 clearly shows that, in Badangi mandal nearly 2/3rd and above of the sample respondents that is 68.33 per cent belong to the caste group of OBC's, followed by scheduled caste 25 per cent, and scheduled tribe (6.67%). Majority of the sample respondents in which 53.33 per cent belongs to OBC's in Ramabhadrapuram mandal while scheduled caste (35%) and scheduled tribe (11.67%) are next in order. In Makkuva mandal a large concentration of sample respondents are OBC's (63.33%) followed by scheduled caste (20%) and scheduled tribes (11.67%). It is observed that, more than half of the sample respondents 111 (61.67%) belongs to OBC's category, followed by 48 (26.67%) of the respondents reported as SC community and the rest of 21 (11.67%) are ST Community respondents who are taken up for the present study.

Table 2
Distribution of Sample Respondents by Caste Category

Marital Status	Badangi		Ramabhadrapuram		Makkuva		Grand Total	
	No.	%	No.	%	No.	%	No.	%
SC	15	25.00	21	35.00	12	20.00	48	26.67
ST	4	6.67	7	11.67	10	16.67	21	11.67
OBC	41	68.33	32	53.33	38	63.33	111	61.66
Total	60	100.00	60	100.00	60	100.00	180	100.00

Source: As ex ante

Educational Status of the Sample Respondents

Education significantly influences an individual's status within the society. It plays a crucial role in identifying the opportunities available for securing specific occupations, which subsequently shapes various aspects of life, including health, social status, and job stability. The educational attainment levels of individuals has been categorized into six main groups: illiterate, literate, primary education, secondary education, higher education, and technical education for the purpose of the present study and these details are presented in table 3. According to the data, the illiterate respondents are the highest in Makkuva mandal with 41.67

per cent followed by Badangi mandal with 30 per cent. The illiterate sample respondents are the least at Ramabhadrapuram mandal with 18.33 per cent. The data clearly shows that Primary and Secondary educated respondents are more in Ramabhadrapuram mandal (40% & 41.67%), followed by Badangi mandal (33.33% & 36.67%) and Makkuva (26.67% & 31.67%) in the study area. Overall, the data shows that, 66 (36.67%) of the respondents are qualified in Secondary Education, followed by 60 (33.33%) of the respondents in Primary Education and the rest of 54 (30%) respondents are Illiterates among the selected respondents for the present study.

Table 3
Distribution of Sample Respondents by Educational Status

Educational Status	Badangi		Ramabhadrapuram		Makkuva		Grand Total	
	No.	%	No.	%	No.	%	No.	%
Illiterate	18	30.00	11	18.33	25	41.67	54	30.00
Primary	20	33.33	24	40.00	16	26.67	60	33.33
Secondary	22	36.67	25	41.67	19	31.67	66	36.67
Total	60	100.00	60	100.00	60	100.00	180	100.00

Source: As ex ante

Main Source of Livelihood of the Sample Respondents

Employment is a significant social determinant influencing an individual's economic standing, impacting lifestyle, behavior, conduct, morale, and societal roles. It acts as a measure of socio-economic status and the family's standing. The occupational status of the participants has been categorized into five main groups: cultivators, agricultural laborers, non-agricultural laborers, small business owners, and employees/services. Data regarding the primary source of livelihood is gathered from the participants and is displayed in Table 4. Regarding the occupational distribution among the respondents, the majority are involved in agricultural labor. In Badangi mandal largest proportion of sample respondents are Farm Labour 80, followed by employees/services 11.67, non-farm labour 5 and cultivators 3,33 while these figures in Ramabhadrapuram 73.33, 15, 5, 6.67 and 76.67, 8.33, 10, 5 in Makkuva mandal respectively in the study area. Of the total 180 respondents, 138 (76.67%) of the respondents' main source of livelihood is Farm Labour, followed by 21 (11.67%) of the respondents was employees/services, 12 (6.67%) of the respondents are non-farm labour and the rest of 9 (5%) are owner cultivators in the study area.

Table 4
Distribution of Sample Respondents by Main Source of Livelihood

Source	Badangi		Ramabhadrapuram		Makkuva		Grand Total	
	No.	%	No.	%	No.	%	No.	%
Service/ Employees	7	11.67	9	15.00	5	8.33	21	11.67
Cultivators	2	3.33	4	6.67	3	5.00	9	5.00
Farm Labour	48	80.00	44	73.33	46	76.67	138	76.67

Non-farm labour	3	5.00	3	5.00	6	10.00	12	6.66
Total	60	100.00	60	100.00	60	100.00	180	100.00

Source: As ex ante

Execution of MGNREGS Works during 2022-2023

Within the study area, only eight, out of the thirty-nine priority works identified under MGNREGS are currently being implemented on a large scale. They are: Renovation of traditional water bodies including de-silting of tanks; Irrigation canals including micro and minor irrigation works; rural connectivity to provide all weather access where the construction of roads may include culverts; Land Development; Drought Proofing, Afforestation and Plantation and Water Conservation and Harvesting. It is observed that out of eight only one identified work like Flood Control and protection works, including drainage in water logged areas was less taken up in Badangi mandal. In this mandal works mostly related to land development, renovation of traditional water bodies, irrigation canals and rural connectivity were taken up in a larger scale and as such higher participation of works are found under these programmes. These details are shown in Table 5. The work Provision of irrigation facility to land owned by households belonging to SCs and STs was reported very low in Ramabhadrapuram 7 (11.67%) followed by Makkuva 14 (23.33%) and it is 21 (35%) in Badangi mandal.

Table 5
Participation in Execution of MGNREGS Works 2022-2023

Response (Yes)	Badangi		Ramabhadrapuram		Makkuva	
	No.	%	No.	%	No.	%
Water Conservation and Water Harvesting	38	63.33	30	50.00	32	53.33
Drought Proofing (including afforestation & Tree plantation)	41	68.33	32	53.33	37	61.67
Irrigation canals, including micro and minor irrigation works	45	75.00	48	80.00	46	76.67
Provision of irrigation facility to land owned by households belonging to SCs and STs	21	35.00	7	11.67	14	23.33
Renovation of traditional water bodies including desilting of tanks	48	80.00	57	95.00	55	91.67
Land Development	53	88.33	12	20.00	35	58.33
Flood Control and protection works, including drainage in water logged areas	2	3.33	40	66.67	21	35.00
Rural connectivity to provide all weather access	39	65.00	41	68.33	37	61.67
Total	60	100.00	60	100.00	60	100.00

Source: As ex ante

Employment and Income Levels

The opinions of beneficiaries' regarding various facets of MGNREGS impact on employment and income levels in the three selected regions have been gathered. An analysis has been conducted to project the employment and income levels for the period 2022-2023, and comprehensive information on these matters are presented in Table 6. The average number of working days of a worker during the study period is arrived at 262 days under consideration. Of these 262 working days, a higher percentage (34.34%) is contributed through MGNREGS works. Days spent on their agriculture labour works emerged as the next important source of employment (17.99%), works own farm (10.05%) and non-agriculture works constitute only 9.50 per cent of total employment. The average annual income per worker is estimated at Rs. 62699/- during 2022-23. Among the different sources of income, the highest proportion is contributed through the MGNREGS works (36.45%). The respondents received annual income from their agriculture labour works accounted for 26.51 per cent, 18.59 per cent of income through non-agriculture labour works and the remaining (18.45%) of total income is received from the source of attending to own farm works. Across the selected sample mandals, the number of working days are marginally higher in case of respondents belonging to Makkuva mandal (266 working days), followed by Ramabhadrapuram mandal (263 working days) and Badangi mandal (258 working days) respectively. During 2022-23, large number of working days (131 days) is found to be emerged out of MGNREGS works in the areas of Makkuva mandal followed by Ramabhadrapuram mandal (126 days) and Badangi mandal (119 days) in the study area. Further, their own farm works occupied a larger number of working days in case of Ramabhadrapuram (39 days) compared to Badangi mandal (36 days) and Makkuva mandal (35 days). Similarly, the number of working days covered under agriculture labour works are higher in case of Makkuva mandal (69 days), while non-agriculture labour works (38 days) are more in Badangi mandal. This analysis shows that in the study area MGNREGS emerged as a major source of providing high employment and income.

Within the three categories of mandals, there is a correlation between income patterns and employment patterns. Consequently, the trends observed in employment are mirrored in the income patterns. In this context, the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has proven to be a significant source of income, particularly when compared to other economic activities present in the study area. The information regarding the employment and income status of the respondents for the year 2022-23 reveals that a significant portion of their employment and income is derived from the MGNREGS projects carried out in the selected mandals. It is observed that the implementation of MGNREGS initiatives has led to a decrease in migration and an increase in the number of working days. Further, the rise in alternative employment opportunities within the study area has resulted in a notable increase in agricultural wages. Collectively, these beneficial changes brought about by MGNREGS have had a positive effect on the employment and income levels of the respondents in the study area. It has to be noted that on an average a worker remains unemployed for 103 days in a year. However, if we deduct festivals and other exigencies, the number of non-working days could be less than hundred in a year.

Table 6

Pattern of Employment and Income during the Year (April 2022- March 2023)

Response	Average Number of working days							
	Badangi		Ramabhadrapuram		Makkuva		Grand Total	
	No.	%	No.	%	No.	%	No.	%
Own farm	36	9.86	39	10.68	35	9.59	37	10.05
Agricultural Labour	65	17.81	63	17.26	69	18.90	66	17.99
Non-agricultural labour	38	10.41	35	9.59	31	8.49	35	9.50
MGNREGS works	119	32.60	126	34.52	131	35.89	125	34.34
Total Working Days	258	70.68	263	72.05	266	72.88	262	71.87
No Work	107	29.32	102	27.95	99	27.12	103	28.13
Total	365	100.00	365	100.00	365	100.00	365	100.00
Average Income (in Rs.)								
Own farm	12564	20.66	11853	19.00	10286	15.85	11568	18.45
Agricultural Labour	16382	26.93	17392	27.87	16098	24.81	16624	26.51
Non-agricultural labour	10204	16.78	11003	17.63	13754	21.20	11654	18.59
MGNREGS works	21672	35.63	22145	35.49	24743	38.14	22853	36.45
Total	60822	100.00	62393	100.00	64881	100.00	62699	100.00

Source: As ex ante

Conclusion

It is found that employment opportunities provided through MGNREGA cannot be treated as stable employment in comparison to opportunities in market and agriculture sectors. the study aims to assess the program's impact on rural livelihood development. This study is also important so that the programme continues to sustain with the same relevance and vigour in Andhra Pradesh as in other states. The awareness about the scheme needs to be increased among the rural population, especially women, marginalized sections, and the disabled. The participation of the beneficiaries in the planning, implementation, and monitoring of the scheme should be encouraged to ensure the scheme meets the actual needs of the rural population.

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