

Standing Committee Report Summary

Implementation of the MGNREGA, 2005

- The Standing Committee on Rural Development (Chair: Sumitra Mahajan) submitted its report on the implementation of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA) on August 14, 2013. The MGNREGA was enacted in 2005 to guarantee 100 days of employment per year to rural households.
- The Committee highlighted several achievements of the MGNREGA in the seven years of its implementation; especially (a) ensuring livelihoods for people in rural areas, (b) large scale participation of women, SCs/STs and other traditionally marginalised sections of society, (c) increasing the wage rate in rural areas, (d) strengthening the rural economy through the creation of assets, (e) facilitating sustainable development and (f) strengthening Panchayati Raj Institutions (PRIs) like the gram sabha by involving them in planning and monitoring of the scheme.
- However, the Committee found several issues with the implementation of the scheme including (a) fabrication of job cards, (b) delay in payment of wages, (c) non payment of unemployment allowances, (d) a large number of incomplete works, (e) poor quality of assets created, (f) several instances of malpractices and corruption, and (g) insufficient involvement of PRIs.
- The Committee made the following recommendations, based on its findings:
 - Offences such as missing entries in the job cards and unlawful possession of job cards with elected PRI representatives and MGNREGA functionaries should be made a punishable offence under the Act.
 - Since studies have shown that the income of female workers raises the standard of living of their households to a greater extent than their male counterparts, the participation of women must be increased through raising awareness and forming self help groups.
- Special works must be identified, meeting the specific needs of disabled people. Special job cards must be issued and personnel must be employed to ensure the participation of persons with disabilities.
- The Department of Rural Development must analyse poor utilisation of funds and take steps to improve utilisation of funds. In addition, it should initiate action against officers found guilty of misappropriating funds under MGNREGA.
- Since states are at various stages of socio-economic development, they may have varied requirements for development and therefore, state governments should be allowed to undertake works that are pertinent to their context. There should be more emphasis on skilled and semi-skilled work under MGNREGA, possibly through greater coordination with the National Rural Livelihoods Mission. The Committee recommends convergence with other schemes such as the National Literacy Mission and Mid Day Meal Scheme.
- Dated receipts for demanded work should be issued so that workers can claim unemployment allowance. Funds for unemployment allowance should be met by the central government.
- Frequency of monitoring by National Level Monitors should increase and appropriate measures should be taken based on their recommendations. Additionally, social audits must mandatorily be held every 6 months. A nodal officer should be designated to ensure this. Vigilance cells must be established at the state and district level and vigilance and monitoring committees must be established at the local level.
- Training and capacity building of elected representatives and other functionaries of PRIs must be done regularly.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research ("PRS"). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.