# An Analysis of Equity and Accountability in MGNREGS : A Study of Haryana in India

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#### **Abstract**

Launched in 2006, the Mahatma Gandhi National Rural Employment Guarantee Scheme (hereafter referred to as MGNREGS) is the largest and most ambitious employment generation program to ensure livelihood security in rural India. This paper examined how far MGNREGS supported equity and accountability of the state in the economic sphere. The equity aspect was examined through the inclusion of the weaker sections (Scheduled Castes) and women workers in the scheme. The equity aspect of MGNREGS was examined in terms of both the issuance of job cards to Scheduled Castes and the total number of person - days generated for Scheduled Castes and the participation of women over the years. Further, accountability under the scheme was analyzed by using parameters such as release and utilization of funds under the scheme, work provided within 15 days of demand for work, officers' visit at worksites, unemployment allowance, participation in social audit, and role of Gram Sabha. The study found that MGNREGS had, by and large, promoted equity through inclusion of Scheduled Caste households in proportion to the job cards issued to the marginalized section. The share of Scheduled Caste households was close to 50% on an average for the period from 2005-06 to 2015-16. One of the most important findings of the study was that adequate funds were not being released under the scheme, and the actual allocated funds had dwindled to 7% of the required funds to provide 100 days employment to all job card holders in a year. This questioned the very claim of MGNREGS as a demand-driven scheme.

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ahatma Gandhi National Rural Employment Guaranteed Act (MGNREGA) provides a legal right of work to work seekers. It is a demand driven program rather than an allocation based employment program adopted earlier. It has the potential to transform the rural economy through productive assets creation. Thus, it is not only a safety net for the poor, but also a development effort. The role of MGNREGS is classified as protective, preventive, and promotive. The short term objective of MGNREGS is to provide employment opportunities to the unskilled labour. The long term objectives include livelihood security and transformation of rural economy through productive assets creation. It also aims to empower women through providing work in vicinity and reducing migration.

The MGNREGS Act addressed many of the weaknesses of the earlier programmes through introduction of a right-based framework, a legal guarantee of work, time bound action work within 15 days of demand for work,

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disincentive for non - performance as unemployment allowance to be paid if work is not provided, and accountability of the public delivery system through social audits. Turangi (2017) found out that MGNREGA has increased wage rates in the agriculture sector and brought changes in the rural economy by setting a threshold level for wages. Thus, the scheme has manifold impact along with employment generation for rural unskilled labour. Further, the implementation process of the scheme is transparent. In MGNREGS provision, the participation of the workers in Gram Sabha and social audit at the village level is mandatory. It is expected that villagers will participate actively in the Gram Sabha and social audits.

## **Objectives of the Study**

- (1) To assess the role of MGNREGS in promoting equity through inclusion of weaker sections (Scheduled Castes) and women workers in rural areas.
- (2) To analyze the accountability of the government and implementing authority under the functioning of MGNREGS.
- (3) To suggest policy measures for future improvement in the functioning of MGNREGS.

### Methodology

- **(1) Data Sources**: The secondary data were obtained from Gram Panchayat (GP) records, District Rural Development Authority (DRDA) office records, and official site of NREGA for the period from 2005-06 to 2015-16. The primary data were collected with the help of detailed pre-tested schedule and focus group discussions with the respondents.
- (2) Research Design: To find out the impact of MGNREGS in rural Haryana, the study was carried out at a zonal level. The study was conducted in 40 villages of eight districts of four administrative zones of Haryana. The four administrative zones are Ambala, Gurgaon, Hisar, and Rohtak. Two districts from each zone were selected and one block from each district was identified to select the sample villages. Five villages from each block were chosen on the basis of information gathered from Block Development Office regarding work done and going on during the survey period. Fifteen beneficiaries of MGNREGS from each village were contacted at the worksite to collect the information contained in the detailed schedule. Thus, the sample size was of 800 respondents (600 beneficiaries and 200 non-beneficiaries).

Keeping in view the objectives of the study, appropriate statistical techniques such as mean, range, and annual growth rate were used for relevant variables.

## Scope of the Study

This research was carried out at a zonal level and it examined the functioning of MGNREGS at the aggregate level. In addition, the findings of the study are supported by primary as well as secondary data analysis. The primary data analysis enabled us to examine the ground reality regarding the impact of MGNREGS on equity and accountability.

## **Analysis and Results**

- (1) Equity in MGNREGS Secondary Data Analysis: The equity aspect was examined through the inclusion of the
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Table 1. Issuance of Job Cards Under MGNREGS in Haryana: 2006 - 07 to 2015 - 16

Haryana				
Year	Cumulative Number of HHs Issued Job Cards			
	Scheduled Castes	¹Scheduled Tribe	Others	Total
2006-07	60,842 (56.98)	0	45,930 (43.01)	1,06,772
2007-08	84,546 (52.36)	0	76,899 (47.63)	1,61,445
2008-09	2,11,023 (55.89)	56 (0.014)	1,66,489 (44.09)	3,77,568
2009-10	2,41,729 (52.62)	58 (0.012)	2,17,580 (47.36)	4,59,367
2010-11	2,93,975 (50.43)	0	2,88,762 (49.54)	5,82,837
2011-12	3,35,171 (49.48)	115 (0.016)	3,42,028 (50.49)	6,77,314
2012-13	3,63,635 (48.51)	36 (0.0048)	3,85,827 (51.47)	7,49,498
2013-14	3,85,046 (45.25)	37 (0.0043)	4,65,829 (54.74)	8,50,912
2014-15	3,45,734 (44.10)	40 (.0051)	4,38,116 (55.88)	7,83,890
2015-16	3,44,513 (44.94)	37(.0048)	4,22,001(55.05)	7,66,551

Source: nrega.nic.in accessed on different dates between October 2013 and June 2016.

*Note.* \*Figures in brackets show percentage.

weaker/marginalized sections (Scheduled Castes (SCs)) in the scheme. The SCs are considered as the weaker section. Other major dimension of inequality is related to gender. The act supports gender equity by stipulating a minimum of one-third reservation of the work days at equal wage rate for women. The equity aspect of MGNREGS was examined in terms of both the issuance of job cards to SCs, the total number of person days generated for SCs, and the participation of women over the years.

(i) Caste Break Up: In Table 1, a caste break up of job cards issued shows that on an average, about 50% of the job cards had been issued to Scheduled Caste households for the period under study, though this percentage slowly but consistently declined between 2008-09 (highest 56.98%) and 2014-15 (lowest 44.10%).

Mere issuance of job cards does not automatically guarantee employment to the seekers and ,therefore, the issue regarding the person-days generated for the target group under MGNREGS needs to be looked into.

The Table 2 presents caste wise breakup of total person days generated during 2006-07 to 2015-16 under MGNREGS. The number of person days generated increased from 24 lakhs in 2006-07 to 48.48 lakhs in 2015-16. Further, it is observed from the Table 2 that the share of Scheduled Castes was around 50% in all the years except in 2011 - 12 (33%).

(ii) Gender Break Up: The Act mandates that at least one - third of the total beneficiaries of MGNREGS should be women. The Table 3 shows that women participation has been growing steadily over the period as compared to 2006-07 (29%). This is a good sign in the sense that the scheme is helping in empowerment of women in rural Haryana.

The Figure 1 shows that the share of women during the 10 year period under study has been close to one third (except for 2011-12) and rose to 45% in 2015-16. This suggests that MGNREGS has succeeded in providing employment to women agricultural labourers in Haryana and the performance has improved over time.

<sup>&</sup>lt;sup>1</sup> There is no Scheduled Tribe household status in Haryana. We contacted District Rural Development Officers (DRDOs) to enquire about these entries and they said that these entries were by mistake.

Table 2. Person - Days Generated Under MGNREGS : A Caste Break up

Year	Cu	mulative Number of Pers	on - Days Generated	
•	Scheduled Castes	Scheduled Tribe	Others	Total
2006-07	14,00,000 (58)	0	10,00,000 (42)	24,00,000
2007-08	19,00,000 (53)	0	17,00,000 (47)	36,00,000
2008-09	37,00,000 (54)	0	32,00,000 (46)	69,00,000
2009-10	32,00,000 (54)	0	27,00,000 (46)	59,00,000
2010-11	41,00,000 (49)	0	43,00,000 (51)	84,00,000
2011-12	54,66,900 (33)	3248	10,93,6040 (67)	16,40,6188
2012-13	6,53,4329 (51)	93	63,52,175 (49)	12,88,6597
2013-14	5,71,4148 (48)	526	60,72,758 (52)	11,78,8219
2014-15	26,94,350 (43)	368	34,64,173 (56)	61,58,891
2015-16	24,07,661 (49)	415	24,40,139 (51)	48,48,215

Source: nrega.nic.in accessed on different dates between October 2013 and June 2016.

Note. \*Figures in brackets show percentage.

Table 3. Person - Days Generated Under MGNREGS : A Gender Breakup

Year	Cumulative Number of Per	Cumulative Number of Person - Days Generated		
	Total	Women		
2006-07	24,00,000	7,00,000 (29.16)		
2007-08	36,00,000	10,00,000 (27.77)		
2008-09	69,00,000	21,00,000 (30.43)		
2009-10	59,00,000	21,00,000 (35.59)		
2010-11	84,00,000	30,00,000 (35.71)		
2011-12	164,06,188	39,38,733 (24.00)		
2012-13	12,886,597	51,36,745 (39.86)		
2013-14	11,788,219	49,17,318 (41.71)		
2014-15	61,58,891	25,65,222 (41.65)		
2015-16	48,48,215	21,87,857 (45.12)		

Source: nrega.nic.in accessed on different dates between October 2013 and June 2016.

*Note.* \*Figures in brackets show percentage.

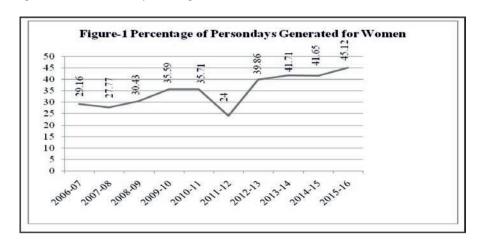


Table 4. Category - Wise Participation at Field Level

	Households	Person - Days	Average Person - Days
Scheduled Castes (SC)	347 (57.83)	16235 (58.97)	46.78
Other Backward Classes (OBC)	241 (40.16)	10633 (38.61)	44.10
General	12 (2)	664 (2.41)	55.33
Total	600	27532 (100)	45.88

*Note.* \*Figures in brackets are in percentage.

(2) Equity in MGNREGS - Primary Analysis: The primary analysis is in tune with the secondary information that the Scheduled Caste households were dominant (58%) among the sample households as shown in the Table 4. Furthermore, it is observed that 59% of the total person - days generated were for Scheduled Castes.

Although, beneficiaries belonging to the general category worked for 55 days on an average, this category accounted for only 2% of the total person - days generated. The number of registered persons of general category was very low. There might be a possibility of alternative earning opportunity for this category.

Ä Gender Equity: MGNREGS is a very powerful tool for empowering women, especially the poor in the rural areas. The design of the scheme focuses on equity for women in access to work as one - third of all participants are to be women. It allows for daycare facilities on work sites as well as equal wages for men and women.

The Table 5 shows that out of the total sample size, 261 women worked for 12,120 days. They accounted for 43% of the total beneficiaries. Women worked for 46 days on an average, which is higher than that for men workers. It is a strong positive evidence. It has been seen that the generation of women person - days in field level is in tune with the secondary data at the state level.

Thus, we find that MGNREGS has by and large promoted equity through the inclusion of Scheduled Castes in proportion to job cards issued to them. The share of SC households was close to 50% on an average for the entire period under the study, and more than one - third of the beneficiaries of MGNREGS were women over the years. Considering the primary survey, we find that more than 50% of the MGNREGS workers were from the marginalized section (Scheduled Castes) of the society. The inclusion of the lowest strata has been noticed in the field. Under the scheme, wage rates are equal without any gender discrimination. Rao (2014) highlighted that MGNREGA has caused a positive change in employment trend and wage rates. The scheme has decreased migration through the provision of work in the vicinity and at equal wage rates. The share of women workers also increased due to worksite facilities and equality at work.

Table 5. Share of Women in Person - Days Generated in the Field

Category	Households	Person - Days Generated	Average Person - Days
Male	339(56.50)	15412(55.97)	45.46
Female	261(43.50)	12120(44.02)	46.43
Total	600(100.00)	27532(100.00)	45.88

Note. \*Figures in brackets are in percentage.

(3) Accountability in MGNREGS: To assess accountability under MGNREGS, the following parameters are considered: gap between funds released and funds needed to generate 100 days employment, time bound actionwork provided within 15 days of demand for work, officers' visits at worksites, payment to work seekers as

unemployment allowance - when State fails to provide work, participation of workers in the process of social audit and Gram Sabha under MGNREGS. To find the ground realities, we analyzed the accountability under MGNREGS on the basis of participation in Gram Sabha and social audits.

The scheme failed to provide the guaranteed 100 days employment to the work seekers. We analyzed the reasons for failure of the gram panchayats; therefore, we contacted the District Rural Development Officer, Assistant Block Program Officer (ABPO), Sarpanch etc. to know the ground realities of this failure. They complained about insufficient funds and delay in receiving funds which further caused delay in wage payments to the beneficiaries.

In tune with the primary survey, the secondary data analysis reveals that funds released were very low for the entire period under the study. The Table 6 shows that funds released accounted for only 45.38% of the funds needed to provide 100 days employment in 2006 - 07. Further, it declined to 6.97% in 2015-16. It indicates the lack of accountability of the government in providing sufficient funds for the implementation of the scheme.

The Table 7 shows that only 7% of the respondents were provided work within 15 days of demanded work. None of the respondents received payment of unemployment allowance in case when work was not provided

Table 6. Fund Requirement under MGNREGS: 2006 - 07 to 2015 - 16

		•		
Year	Job Cards Issued	100 Days Employment Provision	<b>Funds Needed</b>	Funds Released
2006-07	1,06,772	10,677,200	10,250.11	4,652 (45.38)
2007-08	1,61,445	16,144,500	21,795.07	5,803 (26.62)
2008-09	3,77,568	37,756,800	53,237.08	16,415.91 (30.83)
2009-10	4,59,367	45,936,700	53,237.08	19,455.21 (36.54)
2010-11	5,82,837	58,283,700	76,714.28	23,208.84 (30.25)
2011-12	6,77,314	67,731,400	1,04,327.82	27,466 (26.32)
2012-13	7,49,498	74,949,800	1,29,366.97	38,375.89 (29.66)
2013-14	8,50,912	85,091,200	1,60,392.57	41,510.18 (25.88)
2014-15	7,83,890	78,389,000	2,00,815.23	18,386.82 (9.15)
2015-16	7,66,551	76,655,100	1,96,756.39	13,717.78 (6.97)

Source: nrega.nic.in accessed on different dates between October 2013 and June 2016.

Note. \*Figures in brackets show percentage.

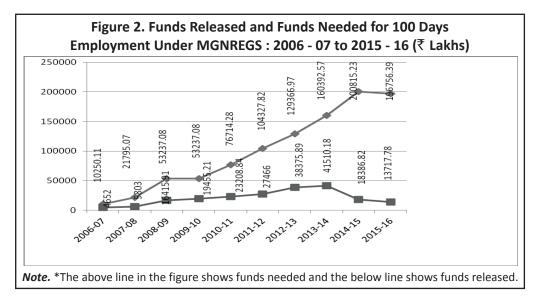


Table 7. Social Inclusion Under MGNREGS

	Number	%
Work provided within 15 days of work requested.	44	7.33
Unemployment allowance	00	00
Officers rarely visited work sites.	372	62
Social audit held in village.	169	28.2
Don't know	353	58.9
Social audit attended	163	27.2
Gram sabha held in village	186	30.9
Don't know	161	26.8
Gram sabha attended	184	30
Worker played a role to select work.	28	4.7
100 days not sufficient	472	62

under the scheme. Respondents reported that a person known as mate supervises MGNREGS worksites; 62% of the respondents said officers rarely visited the worksites.

The participation of the beneficiaries in Gram Sabha (GS) was not satisfactory. The Table 7 shows that about 27.2 % of the respondents participated in social audit held at the village level. However, 58.9% of the respondents did not know whether social audit was held or not held in their village. Similarly, only 30% of the respondents attended Gram Sabha. Even those who attended the Gram Sabha did not participate in work selection procedure. In work identification process, the participation of the workers was very low (4.7%). Workers wanted to work in MGNREGS for more than 100 days, however, even 100 days employment was not provided under the scheme.

Thus, it is observed that funds provided by the government were insufficient to generate 100 days employment, indicating lack of accountability on the part of the government. Further, work was not provided within 15 days of work requested by workers. None of the respondents received payment of unemployment allowance. The participation of workers in Gram Sabha and social audit was very low, indicating lack of transparency under the scheme.

#### **Discussion and Conclusion**

We carried out an aggregative analysis of the performance of MGNREGS in terms of extent, nature, and pattern of employment generation with special focus on the issues of equity and accountability with the help of both primary and secondary data.

(1) Equity in MGNREGS: The equity aspect has been examined through an analysis of the extent of inclusion of the marginalized sections (Scheduled Castes) and women in the scheme on the basis of both primary and secondary data. The major findings are:

Ä MGNREGS has by and large promoted equity through inclusion of Scheduled Caste households in proportion to the job cards issued to the marginalized sections. The share of Scheduled Caste households was close to 50% on an average for the entire period under the study.

Ä From the perspective of gender, more than one - third of the beneficiaries were women in the state for the entire period under study.

Ä In tune with the secondary analysis, in the primary survey, it was found that MGNREGS promoted equity through inclusion of more than 50% of SC households and more than one - third of women beneficiaries.

**(2)** Accountability in MGNREGS: From the secondary data analysis, it is observed that the amount released for the implementation of the scheme was insufficient and declined significantly for the entire period under study.

Ä District Rural Development Officer, Assistant Block Program Officer (ABPO), Sarpanch etc. complained about insufficient funds and delay in receiving funds which caused delay in wage payments to beneficiaries. In tune with the primary survey, financial viability analysis based on secondary data found that released funds were very low for the entire period under the study. Released funds accounted for only 45.38% of the funds needed to provide 100 days employment in 2006-07. Further, it declined to only 6.97% in 2015-16. It indicates lack of accountability of the government in providing sufficient funds for the implementation of the scheme.

Ä Analysis based on primary data reveals that only 7% of the respondents were provided work within 15 days of workers' requests to Sarpanch to start work under MGNREGS. None of the respondents received payment of unemployment allowance in the study area.

Ä It is found that the participation of beneficiaries in social audit was very low (27.2%); 59% of the respondents did not know whether social audit had been held or not at the village level.

Ä The participation of beneficiaries in Gram Sabha was not satisfactory. Only 30% of them said that Gram Sabha was held at village level and they participated in Gram Sabha.

Ä The worksites in MGNREGS were supervised by a person known as mate (hired by Sarpanch). Officers did not visit worksites regularly; 62% of the respondents reported that officers visited the worksites rarely.

Ä The secondary information collected from the official site raises questions of reliability of data. Many figures are surprising and seem to be an error in data recording or uploading. We contacted the District Rural Development Officers (DRDOs) to find that there was no Scheduled Tribe status in Haryana, but the official website shows data for ST. They admitted that these entries were made by mistake.

# **Policy Implications**

In the light of these major findings, the following suggestions may be made to implement the scheme efficiently to achieve the goals:

Ä There is a need to make the scheme more transparent by spreading information about the provisions of the scheme. Awareness regarding work demand among the workers should be spread by organizing camps at the village level. This will help to achieve the foremost purpose of the scheme as right-based and demand driven.

Ä The centre and state governments should release sufficient funds for the implementation of MGNREGS. Although, the resources of the state are limited, yet sufficient funds need to be allocated to achieve the objectives of MGNREGS. Therefore, a proper calculation and estimation should be done scientifically before allocating the funds for MGNREGS. Funds should be released considering the issuance of job cards in the state.

Ä Gram Panchayats play an important role in the functioning of the scheme. It should be the responsibility of the Panchayats to implement the scheme in an effective way after releasing the funds. It should be compulsory for the officers to visit the worksites regularly and an active grievance system should be framed to check the inefficiency of delay in wage payments, fake entries, etc.

Ä There should be cost effective use of funds. A proper monitoring of the performance of MGNREGS should be done to identify the best and the least performing districts. The concerned authority for the best performance should be rewarded and the work planning of these districts may guide other districts to implement the scheme efficiently.

Ä The sustainability of the scheme depends on the assets created at the village level under MGNREGS. Work to be undertaken in the scheme should be identified carefully according to village requirements. Works related to sanitation of villages should be given priority under MGNREGS instead of digging ponds every year. New works listed in MGNREGS should be undertaken to generate sustainable infrastructure and income opportunities at the village level.

Ä There should be proper entry in the job cards regarding details of work days completed, minimum wage, date of work done, wage payments received, and amount paid to workers.

Ä Efforts should be made to increase women's participation to 50%. Under MGNREGS, the work conditions are better as child care facility, work in vicinity, and equal minimum wages for same work. It will empower women through increasing their participation in workforce.

Ä There should be proper maintenance of the MIS system. Expert and trained staff should record and upload the data so that the reliability of the data can be maintained.

One of the most important findings of the study is that adequate funds are not being released under the scheme and the actual allocated funds have dwindled to 7% of the required funds to provide 100 days employment to all job cards holders in a year. This questions the very claim of MGNREGS as a demand driven scheme. In fact, it has been reduced to other allocation based employment schemes. Hence, it is very important that the required funds are provided both by centre and state governments in view of the job cards issued every year. Further, the release of funds should be timely and more emphasis should be laid on creating productive assets.

## **Limitations of the Study and Scope for Further Research**

Further, panel data analysis can be done to assess the functioning of the scheme. The study is based on the qualitative analysis and has the limitation of qualitative research. Along with this, secondary data analysis has raised the questions of authenticity and reliability of data in some aspects. It may affect the findings regarding the functioning of the scheme. Although, the primary data helps to strengthen the analysis, yet it limits the researchers to analyze the subjective aspects of the scheme.

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