

# Income and employment generation through MGNREG scheme in Haryana

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## ABSTRACT

The present study was conducted in Mahendragarh district of Haryana state. All the five blocks were taken from the selected district and from each block two villages were randomly selected totaling 10 villages. Ten MGNREGS job card holders were randomly selected from each selected village. Thus, the total sample consisted of 100 respondents. Most of the job cards were applied and issued during 2006-07 followed by the year 2010-11 in all the blocks. The proportion of persons doing actual work to the total job cards issued was very low in almost all the selected blocks. Majority of job card holders did not get employment in almost all the years. In the year 2011-12, 63% of workers did not get work for even a single day. The average employment per respondent decreased from about 23 days in 2006-07 to about 14 days in 2011-12. This indicates that participation of workers is very low in MGNREGA in the study area. The root cause of low participation is lack of information/awareness about MGNREGS and job card not handed over to them. The contribution of MGNREGS income was about 9% to the total family income of the working respondents (37%). In the study area, there was a common problem of non-availability of camel carts at low rate fixed by the government. There is a need of further strengthening of the MGNREGS to generate sufficient employment for rural workers.

*Keywords:* MGNREGS, job cards, Gram Panchayat, employment, mandays.

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Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was notified on September 7, 2005 and came into force from February 2, 2006. This programme is the world's biggest employment guarantee programme. Under this there is a provision of providing 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The primary objective of this programme is to augment wage employment and to create assets in rural areas. Initially, the act was notified in 200 districts in the first phase with effect from February 2, 2006 and then extended to 130 more districts in the financial year 2007-08. The remaining districts were notified with effect from

April 1, 2008. Thus, MGNREGA covers the entire country with the exception of districts that have a hundred percent urban population.

Adult members of a rural household, willing to do unskilled manual work, may apply for registration in writing or orally to the local Gram Panchayat. The Gram Panchayat after due verification will issue a job card. The job card should be issued within 15 days of application. A job card holder may submit a written application for employment to the Gram Panchayat, stating the time and duration for which work is sought. The minimum days of employment have to be at least 14. Employment will be given within 15 days of application for work, if it is not then daily unemployment allowance as per the Act, has

to be paid. Liability of payment of unemployment allowance is of the States. For first 30 days, 25% of wage rates and for rest of the days, 50% of the wage rates are given as unemployment allowance for which legal guarantee is given.

The central Government bears the 100% wage cost of unskilled manual labour and 75% of the material cost including the wages of skilled and semi skilled workers. Though the scheme MGNREGS was initiated in 2006, but could receive priority attention in India's Eleventh Five Year Plan (2007-12), under the broader objective of *Bharat Nirman* aiming for resurgence of rural India. The MGNREG scheme has now emerged as one of the important tools for rural development and for combating hunger and unemployment. It attempts to bridge the gap between rich and poor in the country. This programme encompass important rural development activities.

In the first phase, MGNREGA was notified in 200 districts across the country out of which it was implemented in two districts of Haryana, namely Mahendragarh and Sirsa on February 2, 2006. In the second phase, the Act was notified in the two additional districts i.e. Ambala and Mewat on April 1, 2007. The remaining districts of the state were notified on September 28, 2007, where MGNREGA came into force w.e.f. April 1, 2008.

Out of those households who could get employment during 2006-07, 20.43% households completed 100 days of employment which came down to only 2.43% in the year 2011-12. In the selected district during the year 2006-07, 10.58 lakh person days employment was generated which declined to 6.03 lakh person days in the year 2007-08 and 8.82 lakh person days in 2011-12. The employment generated per job card issued was maximum about 23 person days in the year 2006-07 which decreased to 13.72 person days in the year 2011-12. This scheme is on one hand demand-driven and on the other, treats employment as a right of the rural households. The states like Rajasthan, Chhattisgarh and West Bengal etc. had high participation rate (share of rural households working on MGNREGA) while in Haryana participation rate was second lowest among all the states (NSS, 2009-10). So keeping in view of the above facts, the present study was undertaken i) to study income and employment generation under MGNREGS in Mahendragarh district of Haryana

and ii) to find out the situation of participation of workers since inception of MGNREGA (Feb.2, 2006), and iii) to find out root causes of low participation rate in Haryana state.

### Methodology

It may be stated that MGNREGS has been implemented in three phases since February 2, 2006 in the country. In the first phase, the scheme was implemented in two districts of Haryana, namely Mahendragarh and Sirsa. First phase was selected because of maximum time of implementation which could give better results regarding MGNREGS in Haryana. Out of the two districts of the first phase, Mahendragarh district was selected on the basis of poor economic conditions of rural people than Sirsa district. There are five blocks in the selected district. All the five blocks were selected for the present study. From all the five blocks two villages were selected randomly from each block totalling 10 villages in the selected district as shown below

**Table 1. Blockwise selection of villages and respondents**

Blocks	Villages	Respondents
1. Narnaul	1. Balaha Kalan	10
	2. Bhankhari	10
2. Nangal Chaudhary	3. Mandhana	10
	4. Kojinda	10
3. Kanina	5. Dongra Ahir	10
	6. Mundia khera	10
4. Mahendragarh	7. Kherki	10
	8. Malra Bass	10
5. Ateli Nangal	9. Pirthipura	10
	10. Saluni	10
Total	10	100

The lists of all the job card holders were taken from the gram panchayats of the selected villages. Then 10 MGNREGS job card holders were randomly selected from each of the selected villages. In this way the ultimate sample consisted of 100 respondents.

Primary data were collected from the selected respondents using specially structured interview schedule designed for the study purposes. The data included receipt of job card, employment under MGNREGS, wages rate under MGNREGS, income from MGNREGS, Job cards issued, problems

faced and suggestions of the respondents and gram panchayats for successful implementation of

MGNREGS etc. Secondary data on different aspects of MGNREGS were obtained from the Govt. offices and websites.

**Table 2. Block-wise employment under MGNREGS in the selected district over the years**

Employment (days)	Blocks					Total
	Narnaul	Nangal Chaudhary	Kanina	Mahendra-garh	Ateli Nangal	
2006-07						
No employment	10 (71.43)	3 (21.43)	-	1 (5.00)	-	14 (18.92)
Employment	4 (28.57)	11 (78.57)	-	19 (95.00)	-	60 (81.08)
Total	14	14	8	20	18	74
2007-08						
No employment	12 (85.71)	10 (71.43)	-	-	-	22 (29.33)
Employment	2 (14.29)	4 (28.57)	9 (100.00)	20 (100.00)	18 (100.00)	53 (70.66)
Total	14	14	9	20	18	75
2008-09						
No employment	14 (73.68)	12 (85.71)	10 (100.00)	10 (50.00)	10 (55.55)	56 (69.14)
Employment	5 (26.31)	2 (14.29)	-	10 (50.00)	8 (44.45)	25 (30.86)
Total	19	14	10	20	18	81
2009-10						
No employment	10 (52.63)	14 (100.00)	9 (90.00)	17 (85.00)	17 (89.47)	67 (81.71)
Employment	9 (47.37)	-	1 (10.00)	3 (15.00)	2 (10.53)	15 (18.29)
Total	19	14	10	20	19	82
2010-11						
No employment	7 (36.84)	2 (10.00)	5 (26.32)	9 (45.00)	12 (60.00)	35 (35.72)
Employment	12 (63.16)	18 (90.00)	14 (73.68)	11 (55.00)	8 (40.00)	63 (64.28)
Total	19	20	19	20	20	98
2011-12						
No employment	17 (85.00)	7 (35.00)	13 (65.00)	12 (60.00)	14 (70.00)	63 (63.00)
Employment	3 (15.00)	13 (65.00)	7 (35.00)	8 (40.00)	6 (30.00)	37 (37.00)
Total	20	20	20	20	20	100

Note: Figures in parentheses indicate percentages to total.

Table 3. Employment pattern of the respondents under MGNREGS in the selected district, 2011-12

Employment (days)	Blocks					Total
	Narnaul	Nangal Chaudhary	Kanina	Mahendragarh	Ateli Nangal	
	N=20	N=20	N=20	N=20	N=20	
No employment	17 (85.00)	7 (35.00)	13 (65.00)	12 (60.00)	14 (70.00)	63 (63.00)
Up to 20	1 (5.00)	4 (20.00)	2(10.00)	3 (15.00)	-	10 (10.00)
20-40	-	4 (20.00)	1 (5.00)	4 (20.00)	4 (20.00)	13 (15.00)
40-60	-	1 (5.00)	3 (15.00)	-	2 (10.00)	6 (6.00)
60-80	2 (10.00)	1 (5.00)	-	-	-	3 (3.00)
80-100	-	2 (10.00)	1 (5.00)	1 (5.00)	-	4 (4.00)
completing 100 days	-	1 (5.00)	-	-	-	1 (1.00)
Average employment per worker (days)	6.5	28.35	14.65	12.85	9	14.27

**Note:** Figures in parentheses indicate percentage to the total.

## Results and Discussion

### *Employment under MGNREGS*

The employment under MGNREGS in the study area during the period 2006-07 to 2011-12 is presented in Table 1. During 2006-07, there were 74 job card holders under sample. Out of them majority of the respondents i.e. about 81% respondents got employment under MGNREGS. During 2007-08, the percentage of respondents who got work decreased to about 71% which further decreased sharply to 31% in the year 2008-09 and 18% in the year 2009-10. In the next year i.e. during 2010-11, the employment level increased to 64 percent. The sudden increased employment or participation may be due to formation of new panchayats in all the selected villages during the study area.

### *Employment pattern under MGNREGA*

The employment pattern under MGNREGS in the study area during the year 2011-12 is presented in Table 2. It was found that sixty three per cent of the respondents did not get any employment. Fifteen per cent of the respondents could get employment for 20 to 40 days followed by 10% who got employment up to 20 days and 6% got employment for 40 to 60 days.

4% got employment for 80 to 100 days and 3% got employment for 60 to 80 days. There was only one respondent who completed 100 days of employment.

In Narnaul block majority of the respondents i.e. 85% of the respondents had no employment. 10% of the respondents got employment 60 to 80 days and only one respondent (5%) got employment up to 20 days. In Nangal Chaudhary block, 35% of the respondents had no employment. 20% of the respondents got employment up to 20 and 20 to 40 days each. Five per cent of the respondents got employment for 40 to 60 days and 60 to 80 days each. Ten percent of the respondents got employment for 80 to 100 days. One respondent could complete 100 days employment in this block. In Kanina block, about 65% of the respondents were without employment. This figure in Mahendragarh block was 60% and in Ateli Nangal block was 70 per cent. In Ateli Nangal block, 20% of the respondents got employment for 20 to 40 days and 10% for 40 to 60 days. None of the respondents could complete 100 days of employment in all the blocks except Nangal Chaudhary block.

Average employment per worker estimated to be 6.5, 28.35, 14.65, 12.85 and 9 days in Narnaul, Nangal Chaudhary, Kanina, Mahendragarh and Ateli Nangal blocks, respectively during the year 2011-12. The

**Table 4. Annual income of the respondents from MGNREGS, 2011-12**

Income (₹)	Blocks					Total
	Narnaul	Nangal Chaudhary	Kanina	Mahendragarh	Ateli Nangal	
No income	17 (85.00)	7 (35.00)	13 (65.00)	12 (60.00)	14 (70.00)	63 (63.00)
Up to 5000	1 (5.00)	7 (35.00)	3 (15.00)	5 (25.00)	4 (20.00)	20 (20.00)
5000-10000	-	2 (10.00)	2 (10.00)	2 (10.00)	2 (10.00)	8(8.00)
10000-15000	2 (10.00)	3 (15.00)	1 (5.00)	-	-	6 (6.00)
15000-20000	-	-	1 (5.00)	1 (5.00)	-	2 (2.00)
20000 & above	-	1 (5.00)	-	-	-	1 (1.00)
Total	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
Average income of working respondents from MGNREGA	7756.67	7628.20	7134.43	5325.25	6145.70	6806.90
Average of annual Income of working respondents	72833.30	71536.00	77892.90	69125.00	83958.30	74336.95
Percent share of income from MGNREGA in total income	10.65	10.66	9.16	7.70	7.32	9.16

Note: Figures in parentheses indicate percentage to the total.

**Table 5. Problems for low participation of the respondents under MGNREGS, 2011-12**

Particulars	BLOCKS					Total
	Narnaul	Nangal Chaudhary	Kanina	Mahendragarh	Ateli Nangal	
Lack of awareness	20 (100.00)	10 (50.00)	20 (100.00)	20 (100.00)	20 (100.00)	90 (90.00)
Wage rate lower than open market rate	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
Limited and irregular employment	12 (60.00)	17 (85.00)	11 (55.00)	8 (40.00)	11 (55.00)	59 (59.00)
Job cards not handed over to them	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
Employment not provided in lean period	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)

Note: Figures in parentheses indicate percentage to the total.

average employment per worker for the entire study area came out at 14.27 days during the same year. As discussed most of the workers were unable getting employment under MGNREGA which indicates low participation under the scheme in the study area. The low participation may be due to the problems

faced by the respondents which are discussed in Table 6. Dutta et.al. (2012) based on data collected from NSSO (2009) estimated that participation rate in Haryana is lowest after Maharashtra. The findings of this paper are in commensurate with the present study.

Table 6. Suggestions given by the respondents under MGNREGS, 2011-12

Particulars	Blocks					Total
	Narnaul	Nangal Chaudhary	Kanina	Mahendra-garh	Ateli Nangal	
Wage rate may be high	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
Wages be given in cash form	2 (10.00)	-	-	-	1 (5.00)	3 (3.00)
Proper tea & food management	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
Meetings conducting regularly & full knowledge should be given.	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
One day of wage should be given on day of meeting	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
Medical facility at working place should be provided	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
Job cards should be handed over to workers	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)
Equipments should be provided	-	-	5 (25.00)	2 (10.00)	1 (5.00)	8 (8.00)
Work should be started in lean period	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	20 (100.00)	100 (100.00)

**Note:** Figures in parentheses indicate percentage to the total.

### *Income from MGNREGA*

The perusal of the Table 3 shows that as high as 63% of the total respondents were in no income group during the year 2011-12. This was followed by 20% respondents who got income below ₹ 5000 per annum. This further confirms that there was very poor participation of respondents working under MGNREGA. The main reason behind very low participation may be lack of awareness and information regarding MGNREGA (Table 6). The share of income from MGNREGA in the total annual income during 2011-12 was only 9.16% in the selected district as a whole. This share was only of working respondents, remaining 63% respondents had no share of income from MGNREGA to the total family annual income during 2011-12. This share in different blocks varied from 7.32% in Ateli Nangal block to 10.66% in Nangal Chaudhary block. This showed that there was not much variation in percentage share of income from MGNREGA to the family annual income in different blocks during the year 2011-12.

### *Number of job cards issued under MGNREGA*

The number of job cards issued during different years in the selected villages of the study area are shown in Table 4. In Narnaul block 192 job cards were applied during 2006-07. All of the job cards applied were issued but only 45 (about 23%) job card holders actually worked. During the year 2007-08, another 10 job cards were applied and all were issued resulting to totalling of 202 job cards during this year but only 19 (9.41%) job card holders actually worked. During the year 2008-09, additional 28 job cards were applied and all were issued. In this way total job card number reached to 230 but out of these only 64 (25.7%) job card holders actually worked. During the years 2009-10, 2010-11 and 2011-12, the additional number of job card applied were 19, 64 and 21, respectively which resulted in totalling 334 job cards in the year 2011-12. All the applied job cards were issued. Out of the total 334 job card holders only 55 (16.47%) were found working in actual manner.

In the selected villages of Nangal Chaudhary block

at the time of beginning of MGNREGA, the number of job cards applied were 175. All the persons who applied job cards were issued cards but only 90 (51.43%) actually worked. In next three consecutive years, not a single candidate applied for job card. In year 2010-11, 85 job cards and in 2011-12, 11 job cards were applied and all were issued. Out of total 271 job card holders, 172 (63.47%) actually worked during 2011-12.

In Kanina block during 2006-07, number of job cards applied were 290 and all were issued. Out of them 86 (29.67%) job card holders worked actually. In the next two years, no one applied for job card. In consecutive years 2009-10, 2010-11 and 2011-12, the number of applications for job cards were 10, 86 and 44 respectively. All were issued during their respective years. The proportion of actually worked job card holders out of total was 18.60% during year 2011-12.

It was found that most of the job cards were applied and issued during 2006-07 (implementing year of MGNREGA), followed by year 2010-11 in all the blocks. In the remaining years, either job cards were not applied or if applied were in a very few numbers. This showed the irregularity of job cards applied and issued. In the year 2006-07, government emphasized to the gram panchayats for more participation of workers in the MGNREGA. So the role of panchayats was more than workers in receiving application for job cards and issuing of job cards. In the year 2010-11, the panchayat level elections were conducted in Haryana due to which in all the villages the panchayats were changed. The new panchayats issued job cards in the name of those persons who do not had job cards and were in favour of them during election. The proportion of persons doing actual work to the total job cards issued was very low in almost all the selected blocks. This showed that the workers were either not interested in working with opposite party panchayats or were unaware about MGNREGA.

By observing the above results we can say that participation rate of Haryana is very low which resembles with recorded data of participation rate by NSS (2009-10). As MGNREGA is demand-driven in nature so its functioning mostly depends on working respondents and also on Gram panchayats which are main functioning body. So the present study also

tried to find out the root causes of low participation rate in Haryana by observing these two.

### **Problems faced by the respondents**

The problems faced by the job card holders working under MGNREGS are presented in Table 5. Majority of the respondents i.e. 90% reported the lack of awareness/ information about the MGNREGA scheme. All the respondents reported that the job card prepared in their name were not handed over to them. Due to this they face problem of non availability of records regarding their attendance and getting wage payment. About 59% of the respondents highlighted the problem of limited and irregular employment provided to them under MGNREGS and all reported the problem of low wage rate in MGNREGS than open market rate. The pattern of problem was found almost same in all the blocks under study as observed at the aggregate level. However there was variation in the extent of problems in different blocks. All the respondents reported that in lean period they remain unemployed but at that time they do not get the work under MGNREGS. The above mentioned problems seem to be the reasons for low participation under MGNREGS in the study area.

### **Suggestions given by the respondents**

There are many suggestions which were given by almost all the respondents and the same are shown in Table 6. All the respondents suggested that the wage rate should be increased keeping in view the high cost of living. As doing work other than MGNREGS along with wage one time meal and two times tea was also provided so all the respondents also suggested that there may be proper tea and food arrangement for MGNREGS workers at work site. All the respondents also suggested that meetings should be conducted regularly and full knowledge about the scheme be given. As by attending the meeting there is loss of one day wage so workers are less interested in attending the meeting that is why all the respondents suggested that on the day of meeting one day wage should be given. All the respondents further suggested that medical facility should be provided at work site so that in case of emergency first aid treatment can be given. Also all respondents suggested that the job card prepared should be handed over to the workers so that they can check their wages and days of employment.

Most of the respondents were more interested in doing work other than MGNREGA due to high wage rates in the market. But all the time employment is not available to them, especially from November to February months. So all the respondents suggested that MGNREGS work should be started in lean period. There was no inter block variation in the suggestions given by the respondents except one suggestion i.e. wages be given in cash form.

### Conclusion

Most of the job cards were applied and issued during 2006-07 followed by the year 2010-11 in all the blocks. The proportion of persons doing actual work to the total job cards issued was very low in almost all the selected blocks. It was found that 63% of workers did not get employment in the year 2011-12. The average employment per respondent was only 14 days. This indicates that participation of workers is very low in MGNREGA in the study area which is due the problems faced by the workers. The contribution of MGNREGA income was only about 9% to the total family income of working respondents. This share in different blocks varied from 7.32% in Ateli Nangal block to 10.66% in Nangal Chaudhary block. All the respondents reported that there is no facility of child care at the work site, the job cards prepared in their names were not handed over to them. Majority of the respondents reported the lack of awareness/information about the MGNREGA scheme and highlighted the problem of limited employment provided to them under MGNREGA. The pattern of problem was found almost same in all the blocks under study. All the respondents suggested that the wage rate should be increased keeping in view the high cost of living and there may be proper tea and food arrangement for MGNREGA workers at work site. Further, all the respondents also suggested that meetings should be conducted regularly and full knowledge about the scheme be given, one day wage should be given on the day of meeting, medical facility should be provided on site and job cards prepared should be handed over to the workers. In the peak period, there was no need of wage

employment in the study area and workers were not interested in MGNREGA during that period. So all the respondents suggested that the MGNREGA work should be started in lean period so that they can work even at low wage rates. There was no major inter block variation in the suggestions given by the respondents. In the study area, there was a common problem of non-availability of camel carts at low rate fixed by the government. There is a need of further strengthening of the MGNREGA to generate sufficient employment for rural workers.

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