

National Rural Employment Guarantee Act



An Act to provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of Guaranteed wage employment in every financial year to every household

Wage Employment Programmes [WEP]

- National Rural Employment Programme [NREP]: 1980-89
- Rural Landless Employment Guarantee Programme [RLEGP] : 1983-89
- Jawahar Rozgar Yojna [JRY]: 1989-99
- Employment Assurance Scheme [EAS]: 1993-99
- Jawahar Gram Samridhi Yojna [JGSY]: 1999-2002
- Sampoorna Grammen Rozgar Yojna [SGRY]: since September 2001
- National Food For Work Programme [NFFWP]: launched on November 14, 2004

Impact

- Stabilised wages in rural areas
- Checked fluctuation of food grain market prices in rural areas
- Created community Assets in rural areas
- Created opportunities for decentralisation and capacity building of PRIs

Challenges that still remained

- Low programme coverage
- More than 50% beneficiaries not from most needy group. Labour not always from local community
- Payment often less than prescribed wages
- Disparity between wages paid to women and men.
- 16-29 days employment provided to a household
- Quality of assets created not always of requisite standard
- Contractors persisted

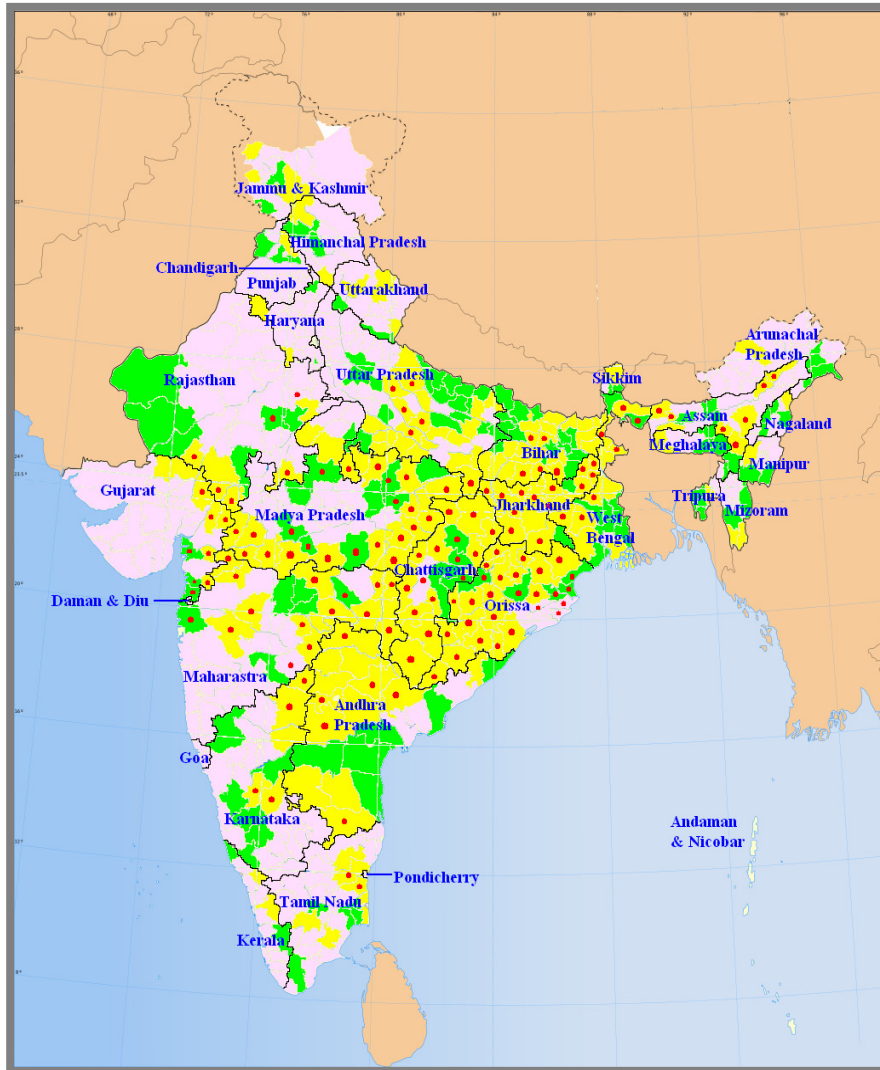
Reasons

- Fund shortage and delay in fund transfer
- Lack of Planning
- Weak monitoring and verification systems
- No comprehensive data-base
- Passive reporting(not enough analysis of feed back and data)

Reasons

- Lack of training of implementing agencies.
- Lack of awareness
- Lack of community participation
- No public accountability system
- Multiple wage employment programmes running inparallel

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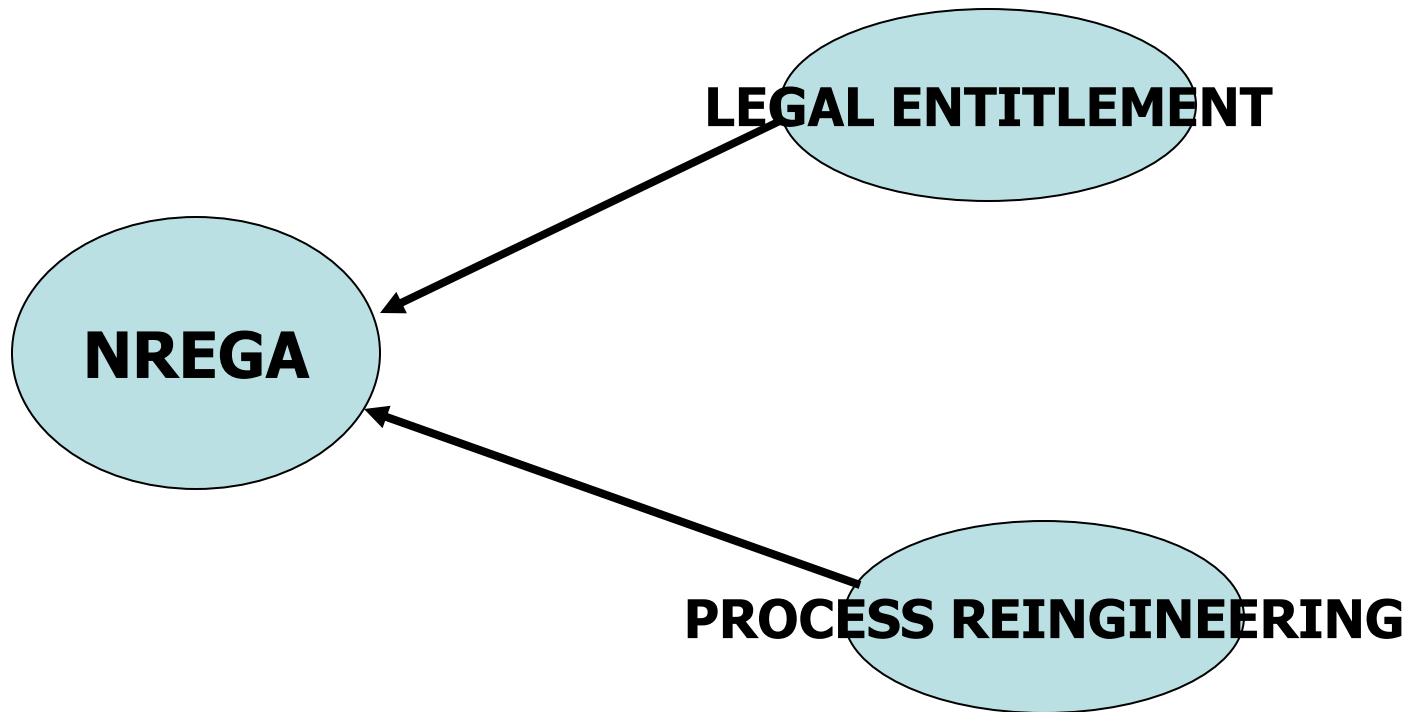
An Act to provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least 100 days of Guaranteed wage employment in every financial year to every household

TOTAL DISTRICTS: 614

- Phase I NREGA(200)**
(commenced 2.02.06)
- Phase II NREGA(130)**
(extended on 1.4.07)
- Phase III NREGA(284)**
(extended on 28.9.07)
- Most Backward District**



NREGA; A Paradigm Shift



NREGA Objectives

» Primary

**Supplementing employment opportunities
(Additional not substituted)**

» Auxiliary

**Eco-restoration &
regeneration of natural
resource base for sustainable
rural livelihood**

» Process Outcomes

**Strengthening grass root processes of democracy
Infusing transparency & accountability in rural
governance**



Salient Processes of the Act

Right based Framework

- Adult members of a rural household willing to do unskilled manual work may apply for registration to the local Gram Panchayat, in writing, or orally and in return receive a Job Card.
- A Job Card is the basic legal document that enables a rural household to demand work

Time bound Guarantee

- Employment has to be provided within 15 days of demand else unemployment allowance has to be paid by the State at its own cost.

Labour Intensive Works

- 60:40 wage and material ratio for permissible works
- No contractors and machinery

Decentralized, Participatory Planning

- Principal role of Panchayat Raj Institutions in planning, monitoring & implementation
- The shelf of projects has to be recommended by Gram Sabha
- At least 50% of works have to be allotted to Gram Panchayats for execution

Salient Processes of the Act

Employment and Wage Payment

- Work provided within 5 km radius of the village or else extra wages of 10% paid
- Wages are to be paid according to the notified wage rate
- Disbursement of wages has to be done on weekly basis and not beyond a fortnight

Women empowerment

- At least one-third of beneficiaries should be women

Work site facilities

- Crèche, drinking water, first aid and shade provided at worksites

Transparency & Accountability

- Proactive Disclosure: Social Audits, RTI
- Grievance redressal mechanisms put in place for ensuring a responsive implementation process

Funding

- 90 % borne by Central Government and 10 % by State Government

OUTCOMES

NREGA Performance

- ***Employment Provided***

- 2006-07: 2.10 crore Households;
- 2007-08: 3.39 crore Households;
- 2008-09: 2.76 crore Households (upto Aug,08)

- ***Persondays (Self targeting the traditionally disadvantage groups)***

- 2006-07: 90.50 crore ; SC & ST: 61%, Women: 41%
- 2007-08: 143.59 crore; SC & ST: 57%, Women: 43%
- 2008-09: 99.97 crore (upto Aug.08); SC & ST: 56%, Women: 49%

- ***Works Taken up***

- 2006-07: 8.3 lakhs; ; Water Conservation & Irrigation Facility: 64%
- 2007-08: 17.8 lakhs; Water Conservation & Irrigation Facility: 64%
- 2008-09: 17.72 lakhs (upto Aug); Water Conservation & Irrigation Facility: 69%

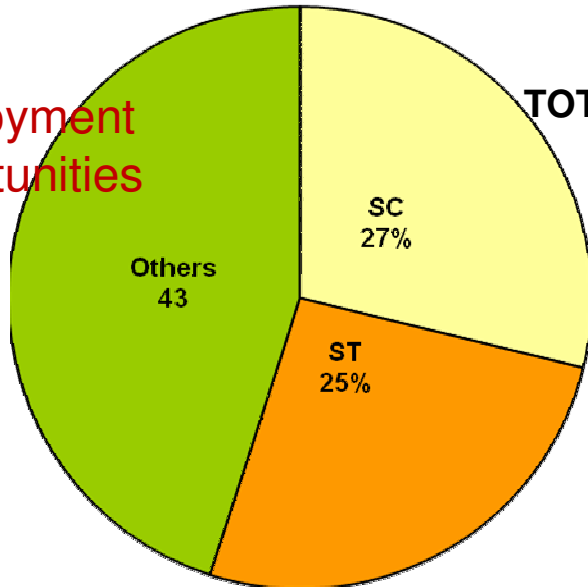
- ***Total Expenditure (In Rs)***

- 2006-07: 8823.35 crore; 2007-08: 15856.89 crore; 2008-09: 11283.63 crore (upto Aug)

NREGA OUTCOMES (615 Districts): Financial Year 2008-09

NUMBER OF HOUSEHOLDS PROVIDED EMPLOYMENT: 2.66 CRORE

Employment opportunities



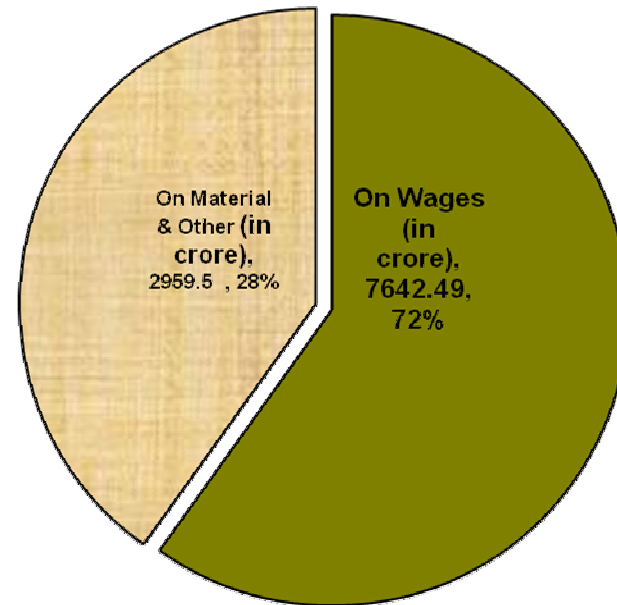
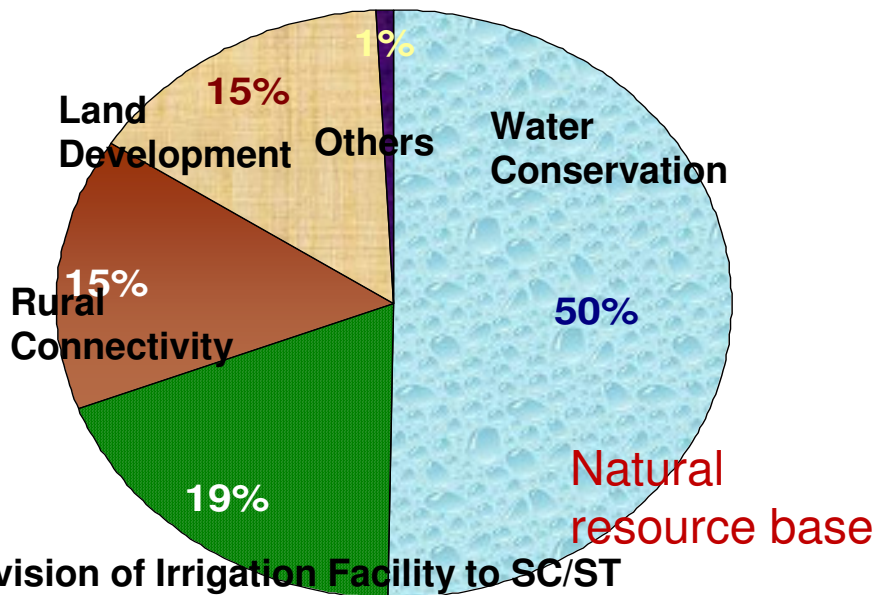
TOTAL PERSONDAYS
GENERATED:
95.27CRORE



WOMEN
49%

TOTAL WORKS TAKENUP: 17.29 LAKHS

TOTAL EXPENDITURE: 10601.95 CRORE



NREGA Works

UNDER NREGS [RAJASTHAN]

तालाब खुदाई कार्य
ग्राम-डकातरा, ग्राम पंचायत-बाकरा रोड
पंचायत समिति,जालौर राजस्थान



DESILTING AT KOLLAFARM TANK , PUNGANUR (M), CHITTOOR DIST.



JATROPA PLANTATION IN RAJNANDGAON DISTRICT OF CHATTISGARH

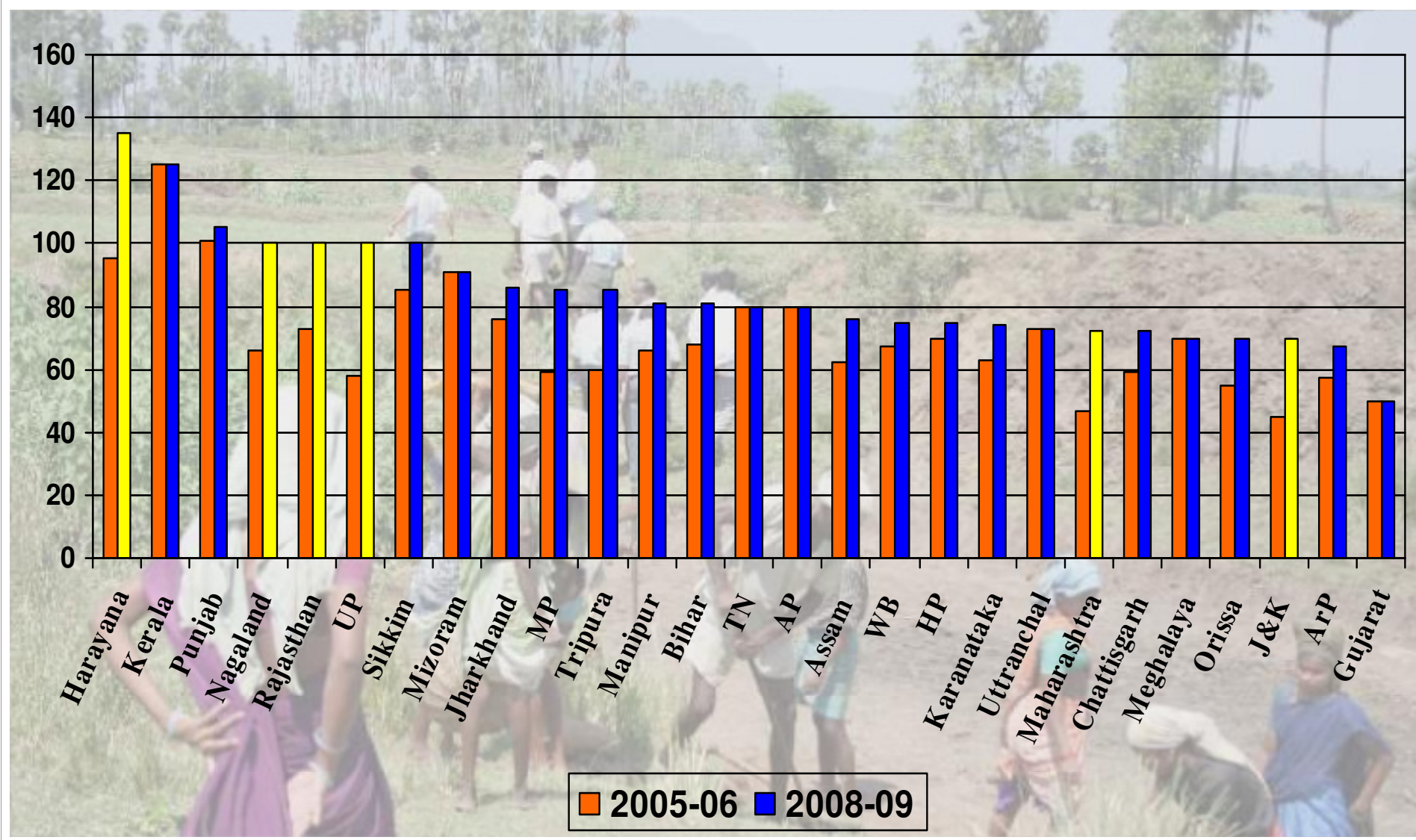


KOVLPATHU FLOOD PROTECTION BUND ON THE BEACH
(RS. 5 LAKHS) - NAGAPATTINAM

Impact on Poverty

	2006-07	2007-08	2008-09 Aug 2008
No. of districts	200	330	615
No.of HHs provided Employment (crore)	2.10	3.39	2.66 4.50 (expected by year end)
No. of person-days per HH	43	42	36 50 (expected)
Average wage rate (Rs.)	65	75	80
Earnings per HH (Rs.)	2795	3150	2880 4000 (expected)

Increase in Minimum Wages for Agricultural Labourers, Post NREGA (Rs. Per Day)



UP: 72%, J&K: 56%, Maharashtra: 53%, Nagaland: 52%, J&K:55%,MP:44%, Harayana:42%,
 Punjab: 52%

Initial Positive Impact

- **Reduction in distress migration**
Rajasthan, AP, Chattisgarh, Orissa, U.P.
- **Improvement in wage negotiation/
bargaining power**
- **Financial Inclusion**
Nearly 4 crore savings accounts of wage earners in
Banks/Post Offices
- **Insurance of wage earners**
under Janashri Bima Yojana

Impact on Eco Restoration Sustainable Rural Livelihoods

Water Tables beginning to get recharged:

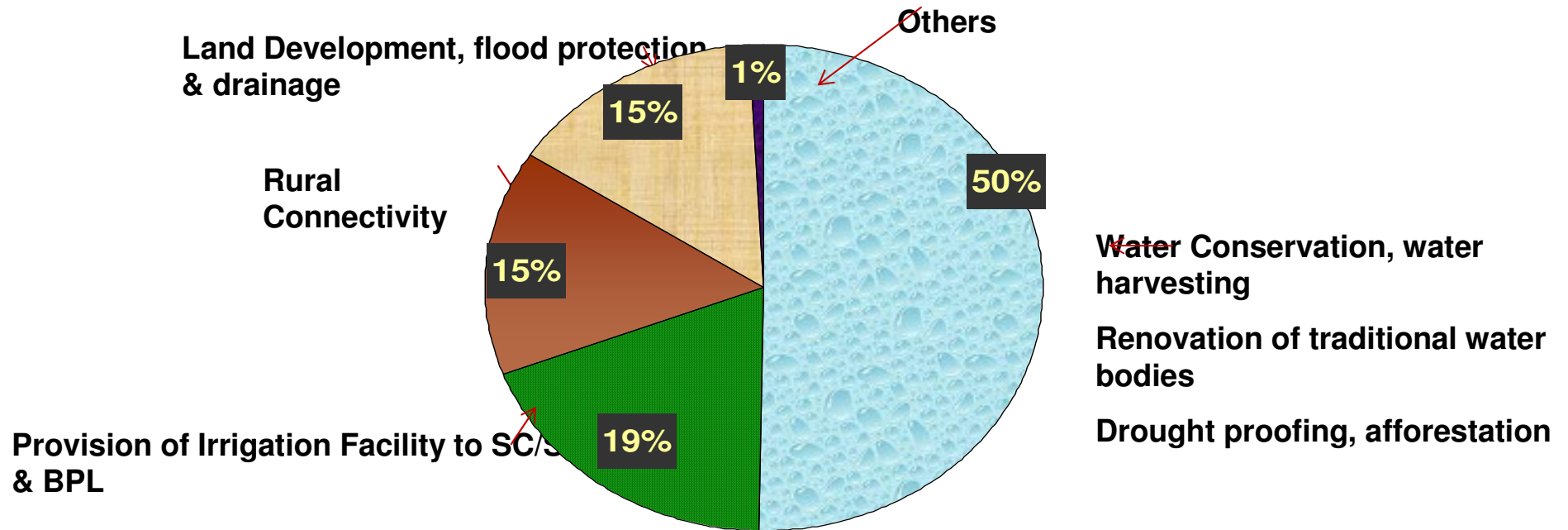
Dungarpur, Rajasthan, Villupuram

Improvement in land productivity:

Second crop on SC/ST farms in Chattisgarh, MP, Rajasthan, TN

Plantation/ afforestation

U.P. Chattisgarh



Impact on Agricultural Productivity & Food Security

Direct Benefits of NREGA

Agricultural productivity enhancement through

- Water Harvesting, Check Dams, Ground Water Recharging
- Improve moisture content
- Check in soil erosion
- Micro-irrigation from mono crop to double cropping

Increased labour availability

- by curtailing distress migration

Indirect Benefits

- Improved inputs through augmenting income of cultivators
- Increased access to markets and services through rural connectivity works

NREGA: Impact on Food production (Availability) and Increase in purchasing power of the poor (Accessibility)

Impacts of NREGA – Short & Medium Term

Economic Potential

- Supplement income through wage earnings
- Savings and investments
- Financial Inclusion
- Sustainable rural livelihoods

Social Capital

- Entitlements conferred on the most vulnerable group can help build capacity among them to articulate needs and negotiate their rights

Physical Capital

- NREGA Works have close affinity with inputs for improving **productivity** of land

Impacts of NREGA – Medium & Long Term

Beneficial Environmental Impacts

- Rejuvenation of natural resource base through afforestation, drought & flood proofing, water conservation
- Adaptation to Climate Change impacts

Increased Agricultural Production

- Evergreen Revolution

Democratic Processes

- Strengthens local capacity for planning & decision making: Gram Sabha, PRIs
- Infuses transparency and accountability in grass root democratic processes through social audits

Sustainable Development

- Untied Fund for Local Area Planning encourages convergence for sustainable development

Initial Positive Trends: New Ways of doing business

- **Public Accountability and transparency coming centre stage**
 - ✓ **Documents:** Job cards with workers, Written application for works, Muster Rolls
 - ✓ **Processes:** Acceptance of employment application, issue of dated receipts, Time bound work allocation and wage payment
 - ✓ **Social Mobilization** of workers through IEC
 - ✓ **Social audit** by local community
 - ✓ **Information in Public Domain:** Citizen Information Board for local information, MIS for public access to NREGA data, Knowledge Network: for creating an e-community of practioner innovation forged at site
 - ✓ **Accountable Personnel at critical levels:** Work site mates, Gram Rozgar Sewaks, Programme Officers, Technical Assistants
 - ✓ **Grievance Redressal:** Ombudsman(under consideration) Helpline
- **Empowerment**
 - ✓ Entitlement of workers to chose to work, check records and seek redressal
 - ✓ Participatory planning at local community
 - ✓ Financial Inclusion: Wage payment through banks and post offices

WORK DONE

- ❖ Comprehensive Web-based MIS www.nrega.nic.in places all data in public domain
 - Workers' entitlements: Registration, job cards (4.2 crore on net), muster rolls (60.00 lakh on net) Employment demanded and provided
 - Work data: Sanctioned shelf of works, work estimates, work in progress, measurement.
 - Financial indicators: funds available/spent, amount paid as wages, materials and administrative expenses.
 - Data software engineered, for cross verification of records and report generation.
 - Data Analysis for consistency and Alerts for District/State functionaries.
- ❖ Knowledge Network

Work Planned

- ❖ GIS to evolve appropriate methodology for collection, collation, storage and processing of data on natural resources in a given region & in totality. For effective management and assessment of Natural Resources through GIS-based Asset Management System.
- ❖ SMART CARDS: Enrollment and wage disbursement through the use of smart cards
- ❖ HELP LINE: Toll free help line linked with the MIS database.
- ❖ BIOMETRIC SIGNATURE: Biometric Security for signatures

Multiplier Effects of NREGA

- **Social Capital**

- Entitlements conferred on the most vulnerable group can help build capacity among them to articulate needs and negotiate their rights.

- **Physical Capital**

- NREGA Works have close affinity with inputs for improving **productivity** of land

- **Ecological Synergies**

Focus on strengthening natural resource management such as afforestation, drought proofing, flood proofing, water conservation help cope with Climate Change stress

- **Economic Potential**

- Supplement income through wage earnings
- Savings and investments
- Financial Inclusion

- **Democratic Processes**

- Strengthens local capacity for planning & decision making: Gram Sabha, PRIs
- Infuses transparency and accountability in grass root democratic processes through social audits

- **Sustainable Development**

- Untied Fund for Local Area Planning encourages convergence for sustainable development

Road Ahead: Develop Synergies for sustainable development

I Value Addition to the work under NREGA for creating durable assets

- Consolidating work done under NREGA: *kuttcha* work to be made *pukka*, check dam
- Enriching/expanding the potential use / spin-off benefit of NREG work e.g. crop husbandry, horticulture, agro forestry, pisci-culture

II Convergence within the district's larger perspective of Planning:

- **Watershed & Perspective Plans** under NREGA,
- **Contour mapping** of land, selection of works & identification of worksites accordingly
- Rashtriya Krishi Vikas Yojana, Food Security Mission.
- In spheres of horticulture, jatropha farming, citrus fruits plantation, bio-fencing, pisci-culture

III **Strengthen Technical support** for improvement in quality

IV **Step up research and studies**

V **Strengthen use of IT**

VI **Documentation of good practices and case studies**

VII **Establish a network of institutional Partnership, specially at decentralised levels.**