

# A Comparative Study: Performance of MGNREGA in Himachal Pradesh and Uttarakhand.

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## Abstract

*Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) embarked on an ambitious attempt to fight poverty by guaranteeing employment to those people who are willing to work and earn their livelihood. It is not only helpful in transforming the rural areas but also the quality of life of rural people by promising them minimum wages. There have been many employment schemes in the past, but most of them failed to bring any security in people's lives. Schemes come and go, but laws are more durable. Therefore, this act was enforced in 2005 to give legal entitlements to people.*

*In this research paper, comparison is made between two similar northern Indian states- Himachal Pradesh and Uttarakhand. The objective of the study is to analyse and make comparative study on the performance of Mahatma Gandhi National Rural Employment Guarantee scheme (MGNREGS) in Himachal Pradesh and Uttarakhand for financial year 2016-2017 (as on Dec, 2016).*

## Introduction

Mahatma Gandhi national rural employment guarantee act (MGNREGA) was enacted by legislation on Aug 25, 2005 and is the largest public program in India, initiated by the UPA

government. Under this act every adult member of rural household is entitled to at least 100 days guaranteed wage employment in a financial year, if volunteered to do unskilled manual work.

The main aim of the Act is to provide livelihood security in rural areas by providing work to them. For an analysis following aspects from MGNREGA are relevant-

- Livelihood security
- System of wages
- Conditions of work and
- Permissible work.

Here all rural families are entitled to apply for participation and get job card issued. Some of the salient features of MGNREGA are as follows:

- All adult members of a rural household willing to do unskilled manual work have the right to demand employment.
- Such a household will have to apply registration to the Gram Panchayat.
- After verification, the Gram Panchayat will issue a Job Card with photograph of all adult members of the household willing to work under the programme.
- Job cardholder can apply for work to the Gram Panchayat which will issue him/her a dated receipt of the work application.
- Employment will be provided by the Gram Panchayat (local self-governing

body) within 15 days of work application, failing which unemployment allowance will be paid.

- Wages will be paid at the wage rate to the wage earners through their Bank/Post office accounts.
- An annual shelf of works to be prepared in advance for each year.
- A ratio of 60:40 for wage and material costs should be maintained at GP level.
- Panchayati Raj Institutions (PRI) will have a principal role in planning, monitoring and implementation.
- At least 1/3 of the workers should be women.

### Objectives of the study

The objective of the study is -

- To explain the concept, evolution and current status of MGNREGA.
- To understand the basic features of MGNREGA.
- To analyse the employment generated and job-cards issued in Himachal Pradesh and Uttarakhand.
- To analyse the number of works (category-wise) under MGNREGS in both states.
- To know category-wise (SC/ST/others) participation.
- To compare performance of MGNREGA in both states.
- To know which state has maximum women participation in MGNREGA.

### Review of Literature

Centre for Research in Rural and Industrial Development (2009) made an appraisal & impact assessment of MGNREGA programme in the sampled districts of Himachal Pradesh (Simaur), Punjab (Hoshiarpur) & Haryana (Sirsa) with the aim to find out the effective management practices, procedures & processes and also different interventions & strategies for its up scaling & dissemination. During its appraisal, it was found that more than 62% of the sampled panchayats in district Sirsa & nearly 3/4th panchayats in district Simaur revealed increase in their agricultural production due to the activities of MGNREGA programme. However, it was also reported that more than 87% panchayats of district Hoshiarpur did not have any positive impact on agricultural production & irrigation due to MGNREGA programme. Data collected from the field also revealed that there was no change towards the in-migration of the workers in the districts Simaur & Hoshiarpur where as it was reported that 37% panchayats in district sirsa observed decreased in & out migration of the villagers due to MGNREGA works. On the other hand, it further indicated that all the panchayats of district Simaur, 3/4th panchayats of district Hoshiarpur & 50% panchayats in district Sirsa observed an overall decrease in out-migration from their villages.

Sainath (2009) in his article on expansion of MGNREGA stated that it is a positive step taken by the Rural Development Ministry which allows, though small but vital assets like farm ponds on every farm. He advocated that a massive expansion of MGNREGA will no doubt provide cushion to the lakhs of labourers struggling to find work and devastated by rising food costs.

Impact of the economic crisis on the rural economy was studied by Venkatesh (2009). He opined that the MGNREGA is especially important in terms of mitigating the crisis in rural

working people through creation of productive employment on a large scale. He also discussed some of the key problems in implementation of MGNREGA and reported that in such areas where the scheme has been effectively implemented, a significant reduction in labour migration and an improvement in the livelihoods of the poor is visible. The author also recommended removal of the ceiling of 100 days of work and implementation of Act in true spirit as it has become a lifeline for millions of Indians who have been left out in the cloud by high economic growth.

IIT Roorkee in 2010 studied the implementation mechanism of MGNREGA in two districts of Uttarakhand viz; one hilly & mostly agriculture based district Chamoli & the other one as the most developed district & of plain area. The findings of the study revealed that (i) the share of SC/STs job cards issued was lower in the hilly district than that of plains district and (ii) participation of women was more in the hill district (Chamoli) than in the plain district. Report further indicated that independent wage earning from MGNREGS by women participation improved their decision-making power.

Jain & Singh (2013) studied the impact of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on the touchstone of social security & found that no doubt the programme has vast scope & impact on the livelihood security of the rural poor's but Government should strictly discourage educated people to do unskilled labour under MGNREGA. They further added that because of the provision of minimum wages under the programme local people do not get attracted to do unskilled manual work & rather has led to their migration.

### Research Methodology

This research paper is based on secondary data. Data was collected from official website of MGNREGA ([nrega.nic.in](http://nrega.nic.in)) and from various secondary sources like from Uttarakhand Govt. official website, Himachal Pradesh Govt. official website, various reports of Government of India (GoI), published and unpublished sources like books, journals, reports, articles, publications, unpublished doctoral dissertation. The study covers during the year FY 2016-2017(as on Dec, 2016) and previous financial years for comparison of data.

### Study Area

#### □ Himachal Pradesh:

Himachal Pradesh is situated in the northern region in the heart of the western Himalayas. The word Himachal means the land of the snows. This state is bordered by Jammu and Kashmir in the north, Uttar Pradesh in the south-east, China in the east, Haryana in the south and Punjab in the west and south-west. Shimla, a beautiful hill station is the state capital of the Himachal Pradesh and was the summer capital of the British Empire in India. It is veiled from the plains by the Shivalik range. The physiographic divisions from south to north are the outer Himalayas or the Shivaliks, the lesser Himalayas or the central zone and the great Himalayan and Zaskar or the northern zone. The state of Himachal Pradesh is divided into twelve districts, which are Bilaspur, Chamba, Hamirpur, Kangra, Kinnaur, Kullu, Lahaul Spiti, Mandi, Shimla, Sirmour, Solan and Una. It abounds in exotic valleys, green hill

slopes, snow-capped peaks and gushing rivers and streams.

□ Uttarakhand:

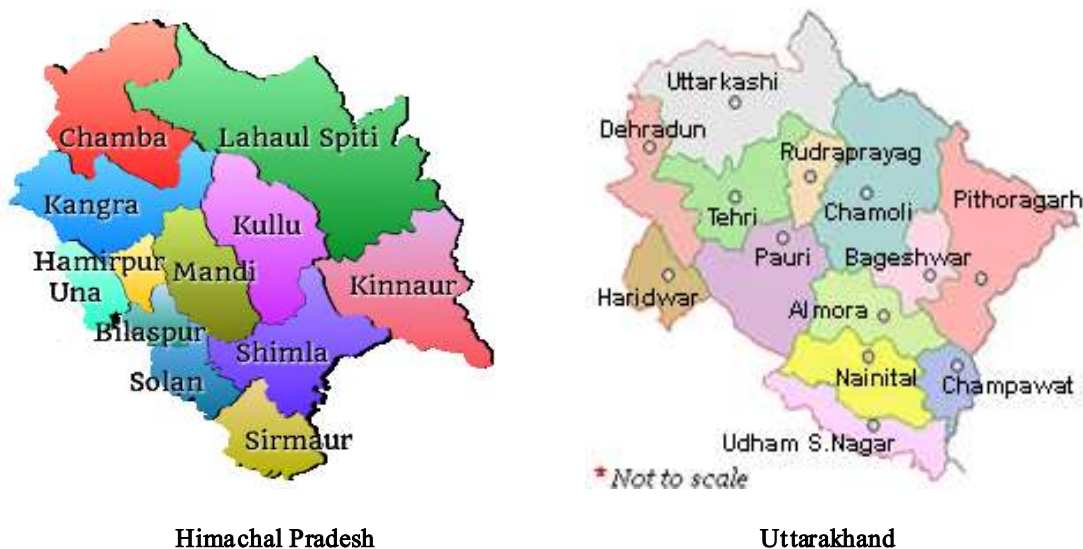
Uttarakhand, the 27th state of the Republic of India and was carved out of Uttar Pradesh on 9th Nov 2000. When it was carved out of northern Uttar Pradesh. Located at the foothills of the Himalayan mountain ranges, it is largely a hilly State, having international boundaries with China (Tibet) in the north and Nepal in the east. On its north-west lies Himachal Pradesh, while on the south is Uttar Pradesh. It is rich in natural resources especially water and forests with many glaciers, rivers, dense forests and snow-clad mountain peaks. Char-dhams, the four most sacred and revered Hindu temples of Badrinath, Kedarnath, Gangotri and Yamunotri are nestled in the mighty mountains. It's truly God's Land (Dev Bhoomi). Dehradun is the Capital of Uttarakhand. The districts in Uttarakhand

which are grouped into two divisions— Kumaun and Garhwal. Thirteen districts are- Almora, Bageshwar, Chamoli, Champawat, Dehradun, Garhwal, Haridwar, Nainital, Pithoragarh, Rudraprayag, Tehri Garhwal, Udham Singh Nagar and Uttarkashi.

As per Census 2011, rural population percentage in Himachal Pradesh and Uttarakhand is 89.97% and 69.77% respectively. That means there are more rural people in HP as compared to UK. Therefore, more people are deemed to be benefitted through MGNREGA in HP as compared to UK rural population.

Both States i.e. Uttarakhand & Himachal Pradesh falls in the northern region of India and are similar to each other in many ways like weather conditions, area, density of population, hilly areas and districts etc. Figure 1 depicts map of Himachal Pradesh and Uttarakhand with their respective districts.

Figure 1: Map of Himachal Pradesh and Uttarakhand.



**Table 1: No. of districts, blocks and GPs in respective states under MGNREGA.**

Dist./Blocks/GPs	HP	UK
Total No. of Districts	12	13
Total No. of Blocks	78	95
Total No. of GPs	3,251	7,989

Source: nrega.nic.in

Table 1 depicts the number of districts, blocks and gram panchayats in Himachal Pradesh and Uttarakhand. There is a vast difference in total no. of GPs in each state.

**Table 2: Census data 2011, Uttarakhand and Himachal Pradesh.**

Description	Census 2011	
	Uttarakhand	Himachal Pradesh
Approximate Population	1.01 Crores	68.65 Lakhs
Actual Population	1,00,86,292	68,64,602
Male	51,37,773	34,81,873
Female	49,48,519	33,82,729
Population Growth	18.81%	12.94%
Percentage of total Population	0.83%	0.57%
Sex Ratio	963	972

Source: Census India 2011.

Table 2 enunciates the Census 2011 data pertaining to Himachal Pradesh and Uttarakhand. UK has larger density of population as compared to HP. Uttarakhand has 18.81% population growth, 6% more than the other state. Himachal Pradesh has good sex ratio as compared to Uttarakhand.

**Result and discussion**

**Table 3: Total job-cards issued to SCs, STs and non-SC/ST in HP and UK.**

FY	State Name	Total job cards issued	Total job cards (SC)	Total job cards (ST)	Total job cards (non-SC/ST)
FY 2012-2013	HP	11,47,401	3,14,465	68,800	7,64,136
	UK	10,55,448	2,18,121	37,814	7,99,513
FY 2013-2014	HP	11,59,777	3,15,965	70,580	7,73,232
	UK	10,72,977	2,19,711	37,543	8,15,723

FY 2014-2015	HP	11,61,326	3,15,377	71,253	7,74,696
	UK	11,08,799	2,22,300	39,914	8,46,585
FY 2015-2016	HP	11,73,022	3,17,430	72,453	7,83,139
	UK	11,32,012	2,25,006	41,884	8,65,122
FY 2016-2017(Dec,2016)	HP	11,72,418	3,16,722	72,891	7,82,805
	UK	10,55,899	2,08,940	38,658	8,08,301

Source: mgnrega public portal.

Unlike previous employment schemes in India, MGNREGA proved to be a sustainable development scheme for rural people. Table 3 depicts the total job-cards issued to scheduled casts, scheduled tribes and non-SC/ST. Through

the above table, it is quite discernible that MGNREGA has benefitted the rural people of HP and UK. Moreover, since rural population in HP is around 80%, therefore, it issued more job-cards to rural people as compared to UK.

**Table 4: Projected persondays Vs Persondays generated in HP and UK.**

	FY	FY 2016-2017	FY 2015-2016	FY 2014-2015	FY 2013-2014	FY 2012-2013
Himachal Pradesh	Approved Labour Budget(In Lakhs)	218.49	258.29	276.8	273.19	286.04
	Persondays Generated so far(In Lakhs)	140.95	177.71	190.8	282.5	262.1
	% of Total LB	64.51	68.8	68.93	103.41	91.63
Uttarakhand	Approved Labour Budget(In Lakhs)	180	175.3	184.51	160.68	241.53
	Persondays Generated so far(In Lakhs)	155.5	223.94	147.34	165.44	191.77
	% of Total LB	86.39	127.74	79.86	102.96	79.4

Source: nrega.nic.in

Table 4 shows the projected persondays for respective state and persondays generated against it. Comparison shows that, UK has higher percentage of labour budget than HP. In all financial years percentage of LB in UK is more than 75%.

**Table 5: No. of HH demanded work and no. of HH provided work in HP and UK.**

States		Himachal Pradesh			Uttarakhand		
S/N	Years	No. of households demanded employment	No. of households provided employment	% of employment provided	No. of households demanded employment	No. of households provided employment	% of employment provided
1	FY 2012-2013	541472	491848	90.84	407845	401748	98.51
2	FY 2013-2014	572190	538968	94.19	399141	390073	97.73
3	FY 2014-2015	497052	431764	86.87	483086	390082	80.75
4	FY 2015-2016	438101	381774	87.14	552668	450403	81.50
5	FY 2016-2017	160223	57894	36.13	190871	83288	43.64

Source: nrega.nic.in

MGNREGA guaranteed work to households (HH), who are willing to work. Table 5 enunciates the number of HH who demanded employment under MGNREGS in HP and UK from FY 2012-2013 to FY 2016-2017 (as on Dec,

2016). In above table, the percentage of employment provided of HP state can be compared to that of Uttarakhand. Both states have downwards trend in percentage of employment provided.

**Table 6: Women participation in HP and UK.**

S/N	FY	Persondays in lakhs					
		Total		Women		% Age of Women participation	
		HP	UK	HP	UK	HP	UK
1	2012-2013	239.37	160.55	145.14	73.84	60.63	45.99
2	2013-2014	282.09	161.01	176.36	71.91	62.52	44.66
3	2014-2015	172.38	113.57	105.73	56.24	61.34	49.52
4	2015-2016	153.34	148.72	97.58	74.1	63.64	49.83
5	2016-2017	7.99	12.46	4.96	6.32	62.08	50.72

Source: nrega.nic.in

MGNREGA laid “1/3 women participation” provision, which makes women participation mandatory in MGNREGS. Table 6 depicts the women participation in HP and UK from FY 2012-2013 to FY 2016-2017 (as on Dec, 2016). It is clear from the above table that, both states have

women participation more than the “1/3 provision”. In all financial years, HP has more percentage of women participation than 60%, whereas, Uttarakhand is consistent in increasing percentage of women participation.

Table 7: No. of spill over works taken up in FY 2016-2017 (Dec, 2016).

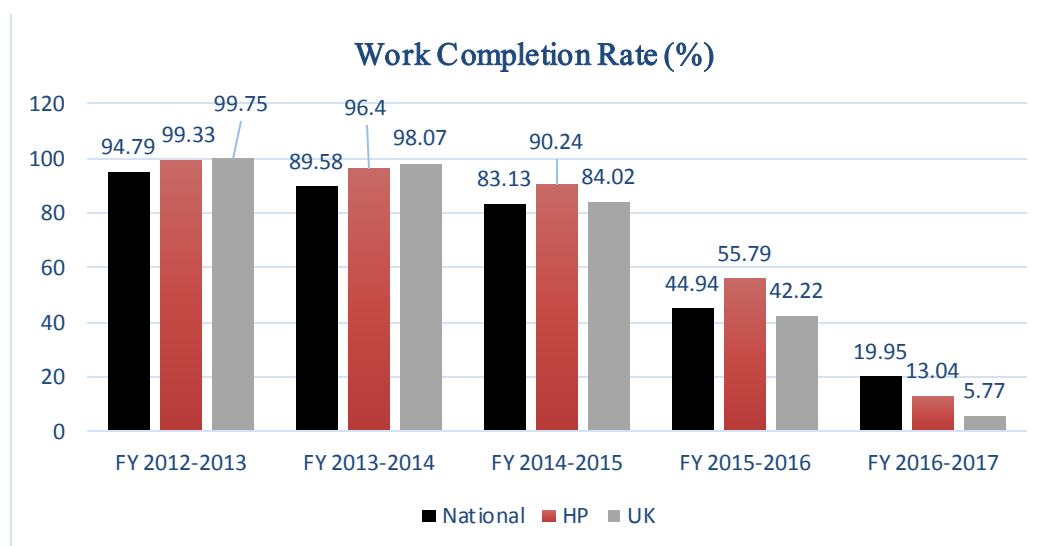
State Name	NO. OF WORKS														Total
	Flood Control	Rural Connectivity	Water Conservation And Water Herverising	Renovaton of Traditional Water Bodies	Drought Proofing	Irri gation Canals	Irri gation Facilities To SC/ST/IAY/LR	L and development	Rajiv Gandhi Seva Kendra	Coastal Areas	Rural Drinking Water	Fisheries	Rural Sanitation	Other works	
Himachal Pradesh	5356	9441	9322	759	702	3296	23417	11606	94	5	40	22	1161	1248	66469
Uttarakhand	13205	14455	3813	850	724	2819	10077	7418	149	100	135	66	4281	3261	61353

Source: nrega.nic.in

Ministry of Rural Development (MoRD) categorised several works in fourteen different categories, which were to be performed under MGNREGA. Table 7 shows the number of works taken up by HP and UK in FY 2016-2017 (as on Dec, 2016). Total number of works taken up by HP are 66,469, which is more than the works being taken up by UK (61,353). Out of total

works taken up by HP, 35% works belong to irrigation facilities to SC/ST/IAY/LR(scheduled cast/scheduled tribes/Indra awas yojna/land reforms). Maximum number of works taken up in UK belongs to rural connectivity, which accounts for 23% out of total works. Minimum coastal areas projects were taken up by HP, whereas, UK undertook only 66 projects belonging to fisheries.

Figure 2: Work completion rate at National level, state level (HP and UK).



Source: nrega.nic.in



Under MGNREGA many works have been taken under to provide employment, but it is also equally important to complete those works. Figure 2 explains the work completion rate at National level as well for Himachal Pradesh and Uttarakhand from FY 2012-2013 to FY 2016-2017 (as on Dec, 2016). Till FY 2014-2015, work completion rate was more than 80% for national as well as state level. Work completion rate dropped drastically in FY 2015-2016. Work completion rate of Uttarakhand remained higher than HP in FY 2012-2013 and FY 2013-2014. It can be said that HP has marginally good work completion rate over UK.

### Conclusion

The basic aim of MGNREGA is to provide livelihood security in rural areas and wages to households who are willing to work. MGNREGA had a clear positive impact on the rural economy through employment and income generation. This scheme proved to be a beneficial for both the states i.e., Himachal Pradesh and Uttarakhand. It provided employment to rural people and created durable assets in study areas.

After the analysis of the data since FY 2012-2013, the findings are as follows:

- On comparison, the percentage of labour budget in Uttarakhand is more than 75% in all financial years. Whereas, percentage of labour budget in Himachal Pradesh remained more than 60% in all years.

- On comparing, Himachal Pradesh issued more job-cards than Uttarakhand.
- From year 2012 to 2016, both Himachal Pradesh and Uttarakhand provided more than 80% of employment to the beneficiaries.
- Women participation in Himachal Pradesh remained higher in all financial years when compared to Uttarakhand.
- In FY 2016-2017(as on Dec, 2016), Himachal Pradesh undertook more projects than Uttarakhand under the MGNREGS.
- Himachal Pradesh achieved consistent “work completion rate” over Uttarakhand state.

The study concluded that despite many shortcomings, this programme enhance their standard of living of the vulnerable section of the society, particularly women who are living in chronic poverty. Moreover, it leads to social, political and economic empowerment of women. Caste category wise distribution of job cards in Himachal Pradesh and Uttarakhand showed that backward ethnic groups like STs and SCs participated in this scheme.

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