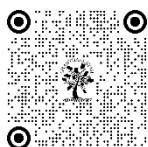


INFLUENCE OF MGNREGA – A CATALYST FOR SUSTAINABLE ECONOMIC LIVELIHOOD AND EMPLOYMENT GENERATION AMONG THE WOMEN'S

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ABSTRACT

The Indian government created the Mahatma Gandhi National Rural work Guarantee Act (MGNREGA) to provide 100 days of guaranteed work annually in rural areas in an effort to combat poverty. This proposed paper investigates whether this program has offered rights-based social protection through guaranteed employment using focus group techniques. The researcher discovered that MGNREGA participant faced different experiences and how MGNREGA earnings compared to local market wages. MGNREGA did not significantly assist the most disadvantaged, while providing marginalized people with some basic work opportunities. Nonetheless, there was some indication of minor but noteworthy changes in labor relations. To effectively achieve the objectives of this policy, additional pay, employment possibilities, improved execution, and a clearer understanding of women's caring obligations would be needed. Regular labor at minimum wage was guaranteed, emphasizing "employment first, with growth as an outcome" rather than the other way around. This paper focused on role of MGNREGA act as a catalyst for sustainable economic livelihood and employment generation among the women's.

Keywords: MGNREGA, Women, Earnings, Economic

1. INTRODUCTION

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has emerged as a transformative initiative in India, fostering economic empowerment and livelihood security, particularly for women in rural areas. Introduced in 2005, the scheme guarantees 100 days of wage employment per household, ensuring social protection and poverty alleviation through demand-driven work opportunities. Women, who have historically faced barriers to workforce participation due to socio-economic and cultural constraints, have significantly benefited from this initiative, leading to enhanced financial independence, skill development, and decision-making power within households.

MGNREGA's emphasis on inclusive growth, coupled with its provision for equal wages and priority for women in work allocation, has contributed to narrowing gender disparities in rural labor markets. The scheme has not only provided women with sustainable employment but has also fostered community development through infrastructure projects such as water conservation, afforestation, and rural connectivity. Additionally, factors like proximity to work

sites, flexible schedules, and self-help group participation, as seen in Kerala's Kudumbashree model, have further strengthened women's engagement in the program.

Despite its successes, challenges such as wage disparities, delayed payments, and socio-cultural restrictions continue to affect women's full participation in MGNREGA. However, with targeted policy interventions and local adaptations, the scheme has the potential to further accelerate women's economic empowerment, contributing to long-term livelihood sustainability and inclusive rural development. This study explores the multifaceted impact of MGNREGA on women's employment, analyzing its role as a catalyst for sustainable economic growth and gender-equitable labor participation.

2. REVIEW OF LITERATURE

The phased implementation of the National Rural Employment Guarantee Act (NREGA) 2005, as summarized by Breitzkreuz et al. (2017), began on February 2, 2006. Initially, it covered 200 of the most underdeveloped regions in its first phase. The second phase, which commenced on April 1, 2007, extended the program to an additional 130 districts. Shortly after, on September 28, 2007, the third phase was launched, incorporating the remaining 285 districts. Since then, all 615 rural districts across India have been covered under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

Based on the report by Reddy et al. (2014), universality and self-selection are the two foundational principles of MGNREGA. The scheme grants a legal right to work at a minimum wage to any individual who applies for employment and is provided work within 15 days. Its universal nature minimizes targeting errors. Additionally, the program prioritizes the development of land and water resources on private lands owned by Scheduled Castes (SC), Scheduled Tribes (ST), Below Poverty Line (BPL) families, Indira Awas Yojana (IAY) beneficiaries, and land reform recipients. Special emphasis is also placed on ensuring employment opportunities for women.

Sudarshan (2011) explores the complex factors contributing to variations in women's participation in the program across different states and within regions. The study highlights that while MGNREGS has achieved some success in promoting social and economic empowerment, modifications tailored to local development needs could enhance its impact. High participation rates in Kerala and Rajasthan are attributed to significant gender disparities in market wages and higher male earnings. Additionally, caregiving responsibilities limit women's mobility and availability for paid work. Factors such as proximity to workplaces and flexible schedules have encouraged greater female participation.

Ranjan and Ahmedabad (2015) emphasize the role of Kerala's Kudumbashree initiative in facilitating women's involvement in MGNREGS, both as workers and supervisors. Their research suggests that beyond affective commitment, social relationships within workgroups strengthen individuals' dedication to the program. Engaging in group-based work fosters a sense of attachment and stability, influencing behavioral attitudes such as job participation and organizational commitment.

Dasgupta and Sudarshan (2011) discuss the importance of wage-setting in public employment programs. They note that discrepancies often exist between program wages, legally mandated minimum wages, and prevailing market wages. Some argue that public works wages should be set below market rates to ensure that only those in genuine need participate, reinforcing the scheme's self-selection mechanism. The development of various government-led employment guarantee programs has undergone significant evolution, adapting to changing socio-economic needs and policy priorities.

2.1. OBJECTIVES OF THE STUDY

The primary aim of this research is to analyze the role of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in fostering economic stability and poverty alleviation, with a specific focus on Tamil Nadu. The key objectives of the study are:

- 1) To assess the status of poverty in Tamil Nadu – Understanding the prevailing socio-economic conditions and the extent of poverty in rural areas.
- 2) To evaluate the impact of MGNREGS on poverty reduction – Analyzing how the scheme has contributed to improving living standards and reducing financial distress.

- 3) To examine the effect of MGNREGS on household income – Studying changes in monthly earnings of beneficiaries before and after their participation in the scheme.
- 4) To analyze the impact of MGNREGS on household expenditure – Assessing how participation in the scheme influences spending patterns, particularly on essential needs such as food, healthcare, and education.
- 5) To propose recommendations for enhancing the effectiveness of MGNREGS – Suggesting policy improvements and strategic interventions to optimize the scheme's impact on economic empowerment and sustainable development.

2.2. HYPOTHESES OF THE STUDY

This research aims to test the following null hypotheses:

- 1) **H₀₁**: There is no significant difference in the monthly income of households before and after participating in MGNREGS.
- 2) **H₀₂**: There is no significant difference in the monthly expenditure of households before and after participating in MGNREGS.
- 3) **H₀₃**: There is no significant association between participation in MGNREGS and the reduction in poverty levels among the sample households.

These hypotheses will be tested to determine the effectiveness of MGNREGS in improving household economic conditions and alleviating poverty.

3. RESEARCH METHODOLOGY

This study adopts a cross-sectional research design to analyze the impact of MGNREGS on poverty alleviation and economic empowerment. It is a descriptive research that employs a quantitative approach to examine the relationship between MGNREGS participation and household economic conditions.

A multi-stage random sampling method was used to select a representative sample of 320 respondents from the target population. The study relies on both primary and secondary data sources:

- Primary data were collected through well-structured schedules administered to respondents.
- Secondary data were gathered from various sources, including reference books, journals, government reports, and annual reports of MGNREGA.

The collected data will be analyzed using appropriate statistical tools to draw meaningful conclusions regarding the effectiveness of MGNREGS in enhancing sustainable livelihoods.

Table 1

List of Employment Guarantee Programmes

Sl. No.	Name of the programme		Year
1	RMP	Rural Man Power	1960
2	CRSE	Crash Scheme for Rural Employment	1971
3	PIREP	Pilot Intensive Rural Employment Programme	1972
4	FWP	Food for Work Programme	1977
5	TRYSEM	Training of Rural Youth for Self-employment	15 th August, 1979-1999
6	NREP	National Rural Employment Programme	2 nd October, 1980-89
7	RLEGP	Rural Landless Employment Guarantee Programme	15 th August, 1983-89
8	JRY	Jawahar Rozgar Yojana	1 st April, 1989-99
9	EAS	Employment Assurance Scheme	2 nd October, 1993-99

Source: www.nrega.nic.in

4. MGNREGA IMPLEMENTATION

This paper, by Jonna P (2012), discusses the implementation of MGNREGA across all Indian states, with a focus on three regions: Kerala, Tamil Nadu, and Odisha. The majority of participants were familiar with the program. In Kerala, the average number of workdays under MGNREGA was 57, and 46% of the focus group had experience with the program. MGNREGA was primarily seen as a last-resort employment option for both men and women. In Tamil Nadu, the average number of days worked was 68, with 72% of respondents participating in the program. Due to men often migrating to Kerala or Karnataka for higher-paying jobs, women were the primary users of MGNREGA in Tamil Nadu. In Odisha, 61% of participants worked under MGNREGA, but the average number of workdays was only 36. Both men and women used MGNREGA in Odisha, though women were the predominant users in Tamil Nadu.

The payment methods for MGNREGA workers varied across locations, and corruption levels appeared to depend on the payment system. In some areas, payments were made directly into bank accounts, eliminating the chance for service charges or skimming, which reduced corruption. Other locations paid workers in cash. Some project sites compensated workers based on the volume of work completed, while others provided daily payments. The program also includes unemployment insurance for those who are unable to find work within 15 days of applying for a job card. However, no reference to this insurance was found at the sites.

Regarding wages, although most focus groups reported that pay was uniform for all workers, the earnings reported by participants showed considerable wage disparities. Men and women received different wages under MGNREGA, and in many cases, the pay was lower than the minimum wage. Participants explained that women often earned less because they could not meet the physical demands of the work. In Tamil Nadu, policy implementers noted that women earned Rs 200, while men earned Rs 350 on the private labor market.

Table 2

Key employment guarantee scheme data for Tamilnadu

	Financial Year	Yearly Expenditure (in crore)	Average workdays per household	Number of working families (in lakh)	Number of workers (in lakh)	Average wage /day
Post- Covid	2023-24 (Till 12 Nov)	10,441	50	67	77	254
	2022-23	10,207	51	66	76	227
Covid	2021-22	8,588	51	68	80	213
	2020-21	7,787	50	66	79	192
Pre-Covid	2019-20	5,372	44	56	65	172
	2018-19	5,669	46	56	65	171
	2017-18	4,531	41	58	68	152

Source www.nrega.nic.in

Tamil Nadu provides more workdays per family than the national average and consistently ranks among the top three states in India for spending on the rural employment guarantee program. Women benefit significantly from the scheme, receiving 86% of the person-days allotted, compared to the national average of 57%. Additionally, Scheduled Caste and Scheduled Tribe families account for approximately 30% of the total workdays, surpassing their 21% share of the population. The state also leads the nation in allocating workdays to people with disabilities, at 1.4%. Despite frequent technical disruptions from the Union Ministry of Rural Development, Tamil Nadu has effectively managed the program better than most states, thanks to its robust administrative framework.

Table 3

Constraints faced by the beneficiaries in participation of MGNREGA scheme

Sl. No	Statements	Number	Per cent	Rank
	FINANCIAL CONSTRAINTS			
1	Payment of same wages for all kinds of works	110	100.00	I
2	Delay payment of wages	110	100.00	I
3	There should be increase in daily wages	110	100.00	I
4	Non-payment of unemployment allowance	82	76.66	II
5	Difficulty in withdrawal of payment from bank	64	61.66	III
6	Corruption at taluka and district level	55	54.16	IV
7	Daily wages of workers are not paid on time	55	54.16	IV
8	Confusing about wages	22	26.66	V
9	On payment of wages in form of grains	22	26.66	V
	CONSTRAINTS RELATED TO FACILITIES			
1	Non provision of creche facility	73	69.16	I
2	Lack of child care	73	69.16	I
3	Transport facility is not available	73	69.16	I
4	Non availability of drinking water	69	65.83	II
5	No resting place	66	63.33	III
6	Poor work site facility	61	59.16	IV
7	Non availability of medical aid	60	58.33	V
	SOCIAL CONSTRAINTS			
1	Villagers are merging due to lack of work in MGNREGA	55	54.16	I
2	Lack of motivation by family members	52	51.66	II
3	Family does not allow to work	28	31.66	III
4	Gender based discrimination during wages allocation	28	31.66	III
5	Women are not allowed to work	08	15	IV

Source Primary Data

This table highlights the major constraints faced by beneficiaries in participating in the MGNREGA scheme, categorized into financial, facility-related, and social constraints.

1) Financial Constraints

- 100% of respondents reported issues like same wages for all work types, delayed payments, and the need for wage increases, ranking them as the most critical problems.
- 76.66% pointed out the non-payment of unemployment allowance as another major challenge.
- Issues like difficulty in withdrawing wages (61.66%) and corruption at higher levels (54.16%) further complicate financial accessibility.

2) Constraints Related to Facilities

- Lack of child care, transport facilities, and crèche facilities (69.16%) are the most prominent challenges, especially affecting women workers.
- Non-availability of drinking water (65.83%) and resting places (63.33%) make working conditions difficult.

- Poor worksite facilities and lack of medical aid also reduce participation rates.

3) Social Constraints

- Over half (54.16%) of villagers are leaving MGNREGA due to a lack of work opportunities.
- Lack of motivation from family members (51.66%) and restrictions on women working (15%) further limit participation.
- Gender-based wage discrimination (31.66%) remains a pressing issue.

The findings emphasize that while delayed payments and wage issues are the biggest deterrents, lack of basic facilities and social constraints on women further restrict participation. Addressing these issues through better wage management, worksite improvements, and awareness programs can enhance the scheme's effectiveness.

5. CONCLUSION

Wage disparities existed between men and women, varying by region. In Tamil Nadu men earned higher MGNREGA wages, whereas in Odisha, both genders received equal pay. Unemployment insurance was not referenced at any site, and payment systems differed across locations. The rights-based approach aims to establish new benchmarks for genuine social citizenship by embedding rights within a legal framework such as MGNREGA's employment guarantee departing from traditional social service models. This approach grants marginalized individual's access to rights that were previously unattainable. Overall, the study highlights the program's role in empowering women and suggests that greater regional customization could enhance well-being outcomes and better align the program with local needs and policy considerations. The future prospects of MGNREGA in driving rural development and empowering women are promising, provided the scheme is effectively implemented. The program has enabled them to gain greater control over their earnings, savings, household expenses, and valuable assets. Additionally, it has empowered them in making decisions related to the sale and purchase of land or houses and in managing loan repayments. By continuing to support and refine its execution, MGNREGA can further strengthen its role in empowering rural women and fostering inclusive economic growth.

CONFLICT OF INTERESTS

None.

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