



Impact of MGNREGS on employment generation and migration in Vaijapur tehsil

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Abstract

The Mahatma Gandhi National Rural Employment Guarantee Scheme was started by the Central Government of India in September 2005. It is the only scheme which provides 100 days of guaranteed wage employment per year to unskilled workers in rural areas. It not only enhances livelihood security, but also creates durable and productive assets in rural areas. It has an important role to play in employment generation and in reducing migration from rural areas to urban areas. This research paper discussed the status of unemployment in Maharashtra and India, number of job cards applied and issued, category and gender wise active workers under MGNREGS, persondays generated, average days of employment provided per household, number of households completed 100 days of wage employment, average wage rate per day per person under MGNREGS and total wages paid under the scheme in Vaijapur tehsil. This research paper further analysed the reasons for participation in MGNREGS and impact of MGNREGS on employment and migration particularly in Vaijapur tehsil.

Keywords: MGNREGS, employment, migration, job cards, *Persondays* etc

Introduction

Labour force is considered as the backbone in each and every economic enterprise and nation. According to 2011 census 71 percent of the Indian population are living in rural area and most of them got employment from agricultural sector and related field ^[1]. Many employment generation programmes are being introduced by the Government of India to fulfil the gap of employment generation in rural India. Mahatma Gandhi national rural employment guarantee act is the first ever act in the history of India to provide guaranteed work and wage ^[2]. In recent days Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a main income generator of rural households. The scheme provides 100 days guaranteed employment to the rural people to improve the socio-economic background of the people by providing the basic payment to the rural peoples. MGNREGA has the potential to improve the livelihood of millions of rural poor ^[3].

Status of Unemployment in India and Maharashtra

According to a survey conducted by the Centre for Monitoring Indian Economy, Maharashtra's unemployment rate increased 15.1 percentage points, rising to 20.9% in Apr 2020. Over a longer time period, unemployment has moved from 2.7% in Dec 2017 to its current rate. Unemployment in Maharashtra was less than the national rate of 23.5%. Nationwide, unemployment was highest in Tamil Nadu, Jharkhand, and Bihar at 49.8%, 47.1%, and 46.6% respectively. It was lowest in Punjab, Chhattisgarh, and Telangana at 2.9%, 3.4%, and 6.2% respectively ^[4].

Literature Review

Rao K. H. and Durga P. P. (2008) ^[5] opined that National Rural Employment Guarantee Scheme (NREGS) is an opportunity to address the issues of rural unemployment and poverty besides revitalizing agriculture. Singh D. K. and Choudhary E. (2008) ^[6] explained that the NREGA provides legal guarantee of work and hence it is a milestone in the way of right to work. Hazra and Anupam (2009) ^[7] opined that the MGNREGS is the first ever law that guarantees wage employment at an unprecedented level. This law can be a big boost for nomadic tribal communities since locally dominated but migrant population is also eligible for employment. Dey and Bedi (2010) ^[8] revealed that in order to serve as an effective “employer of last resort”, the programme should provide more job days during lean season and wages should be paid in a timely manner. This study found that there is delay in wage payments in the range of 20 days. Keshava (2010) ^[9] pointed out that MGNREGS has given people a right to work, to re-establish the dignity of labour, and entitlements to create labour intensive infrastructure and assets and to build the human resource base of the country.

Statement of the Problem

The unemployment issue is considered as one of the major causes of poverty in India. The poverty rate of a country can be reduced with high economic growth and by reducing the unemployment problem. There is a significant relationship between unemployment and poverty. The major objective of MGNREGS is to provide

employment in rural areas. It is expected that MGNREGS should provide employment opportunity to earn wages as well as to create durable assets. But there is uneven performance of MGNREGS across the country. As Vaijapur tehsil is a drought prone area, it is necessary to see the contribution of MGNREGS in generating employment as well as in reducing migration. And so, statement of the problem in present study is “Impact of MGNREGS on Employment Generation and Migration in Vaijapur Tehsil”.

Objectives of the Study

The objectives of this research paper are as follows:

1. To examine the status of unemployment in India and Maharashtra.
2. To study the performance of MGNREGS in Vaijapur tehsil and Aurangabad District.
3. To study the impact MGNREGS on employment generation in Vaijapur tehsil.
4. To study the impact MGNREGS on migration in Vaijapur tehsil.
5. To offer useful suggestions to make the scheme more effective and productive.

Hypothesis of the Study

The hypotheses of this research paper are as follows:

1. There is a significant increase in employment after joining MGNREGS.
2. There is a significant decrease in migration after joining MGNREGS.

Research Methodology

Cross-sectional research design is used in the present study. This is a descriptive research in which quantitative method is used. Multi-stage random sampling method was used to select the sample of 320 respondents from the population. In this study both primary and secondary data are used. The primary data are collected through well-structured schedules. Secondary data are collected from various reference books, journals and annual reports of MGNREGA. The collected data were analysed by using descriptive statistics such as frequency, percentage, arithmetic mean and standard deviation and inferential statistics such as paired sample T test with the help of Microsoft Excel 2010 and Statistical Package for Social Sciences (SPSS 27.0).

Number of Job Cards Applied and Issued

Table 1.1 shows the data regarding number of job cards applied and issued in Vaijapur Tehsil during the year 2017-18 to 2021-22. In 2017-18, 63785 workers were applied for job cards which increased to 81905 workers in 2021-22. In last five years collectively 343986 workers were applied for job cards and 328552 workers were issued job cards. The average percentage of issued job cards out of the applied job cards was 95.51%.

Table 1.1: No. of Job Cards Applied and Issued in Vaijapur Tehsil

Year		2017-18	2018-19	2019-20	2020-21	2021-22	Total
Number of Job Cards	Applied	63785	65395	66030	66871	81905	343986
	Issued	62582	63285	63747	65559	73379	328552
% of Issued to Applied		98.11	96.77	96.54	98.04	89.59	95.51

Source: <http://mnregaweb4.nic.in/netnrega>

Category and Gender Wise Active Workers

Table 1.2 shows the category wise active workers in Aurangabad district as on 12 March 2022. In Aurangabad district, out of the total active workers 204449, 14709 workers are SC, 4748 workers are ST and 184982 workers are from others category. In Vaijapur tehsil, out of the total active workers 34052, 4132 workers are SC, 1097 workers are ST and 28823 workers are from others category. Average percentages of the SC category workers, ST category workers and others category workers out of the total active workers were 7.19%, 2.32% and 90.48% respectively.

Table 1.2: Category Wise Active Workers in Aurangabad District (As on 12-03-2022)

Area	Active Workers			Total Workers
	SCs	STs	Others	
Vaijapur Tehsil	4132	1097	28823	34052
Aurangabad District	14709	4748	184982	204439

Source: <http://mnregaweb4.nic.in/netnrega>

Table 1.3 shows the gender wise active workers in Aurangabad district as on 12 March 2022. In Aurangabad district, out of the total active workers 204449, 121957 workers are male and 82482 workers are female. In Vaijapur tehsil, out of the total active workers 34052, 20827 workers are male and 13225 workers are female. Average percentage of the active women workers out of the total workers was 40.35%.

Table 1.3: Gender Wise Active Workers in Aurangabad District (As on 12-03-2022)

Area	Active Workers		
	Male	Women	Total Workers
Vaijapur Tehsil	20827	13225	34052
Aurangabad District	121957	82482	204439

Source: <http://mnregaweb4.nic.in/netnrega>

Persondays Generated Under MGNREGS

In Vaijapur tehsil, 185957 persondays generated in 2017-18 which increased to 437533 persondays in 2021-22. In Aurangabad district, 1382000 persondays generated in 2017-18 which increased to 2794000 persondays in 2021-22. There is 135.29% increase in the number of individuals worked under MGNREGS in 2021-22 as compared to 2017-18 in the Vaijapur tehsil and the same for Aurangabad district was 102.17%. In terms of the total number of individuals worked under MGNREGS, Vaijapur tehsil seems performed better than Aurangabad district as a whole.

Table 1.4: Total Persondays Generated

Area	2017-18	2018-19	2019-20	2020-21	2021-22
Vaijapur Tehsil	185957	306528	332242	264056	437533
Aurangabad District	1382000	2397000	1520000	1313000	2794000

Source: <http://mnregaweb4.nic.in/netnrega>

Average Days of Employment Provided Per Household Under MGNREGS

Table 1.5 shows the data regarding the average days of employment provided per household under MGNREGS in Vaijapur tehsil and Aurangabad district during the year 2017-18 to 2021-22. In Vaijapur tehsil, 49.33 were the average days of employment provided per household under MGNREGS in 2017-18 and 36.64 average days of employment per household in 2021-22. In Aurangabad district, 38.33 were the average days of employment provided per household under MGNREGS in 2017-18 and 39.55 average days of employment per household in 2021-22. There was a mixed trend in the average days of employment provided per household under MGNREGS during the year 2017-18 to 2021-22 both in Vaijapur tehsil and Aurangabad district.

Table 1.5: Average Days of Employment Provided Per Household

Area	2017-18	2018-19	2019-20	2020-21	2021-22
Vaijapur Tehsil	49.33	48.52	50.32	33.73	36.64
Aurangabad District	38.33	50.07	42.95	34.13	39.55

Source: <http://mnregaweb4.nic.in/netnrega>

Average Wage Rate Per Day Per Person Under MGNREGS

Table 1.6 shows the average wage rate per day per person under MGNREGS in Vaijapur tehsil and Aurangabad district during the year 2017-18 to 2021-22. In Vaijapur tehsil, the average wage rate per day per person was Rs. 198.48 in 2017-18 which increased to Rs. 242.56 in 2021-22. In Aurangabad district, the average wage rate per day per person was Rs. 199.60 in 2017-18 which increased to Rs. 245.88 in 2021-22. There is 22.21% increase in the average wage rate per day per person under MGNREGS in 2021-22 as compared to 2017-18 in the Vaijapur tehsil and the same for Aurangabad district was 23.19%. The average wage rate per day per person in Aurangabad district as a whole was slightly higher than the average wage rate per day per person in Vaijapur tehsil except the years 2018-19 and 2019-20.

Table 1.6: Average Wage Rate Per Day Per Person (In Rs.)

Area	2017-18	2018-19	2019-20	2020-21	2021-22
Vaijapur Tehsil	198.48	199.15	203.49	230.29	242.56
Aurangabad District	199.60	195.43	200.76	234.19	245.88

Source: <http://mnregaweb4.nic.in/netnrega>

Number of Households Completed 100 Days of Wage Employment

Table 1.7 shows the total number of households completed 100 days of wage employment under MGNREGS in Vaijapur tehsil and Aurangabad district during the year 2017-18 to 2021-22.

Table 1.7: Total Number of Households Completed 100 Days of Wage Employment

Area	2017-18	2018-19	2019-20	2020-21	2021-22
Vaijapur Tehsil	339	701	841	415	815
Aurangabad District	2261	5983	3161	2479	6004

Source: <http://mnregaweb4.nic.in/netnrega>

In Vaijapur tehsil, the total number of households completed 100 days of wage employment under MGNREGS was 339 in 2017-18 which increased to 815 in 2021-22. In Aurangabad district the total number of households completed 100 days of wage employment under MGNREGS was 2261 in 2017-18 which increased to 6004 in 2021-22. There is 140.41% increase in the total number of households completed 100 days of wage employment under MGNREGS in 2021-22 as compared to 2017-18 in the Vaijapur tehsil and the same for Aurangabad district was 165.55%. In terms of total number of households completed 100 days of wage employment under MGNREGS, Aurangabad district as a whole seems performed better than Vaijapur tehsil.

Total Wages Paid Under MGNREGS

Table 1.8 shows the total wages paid under MGNREGS in Vaijapur tehsil and Aurangabad district during the year 2017-18 to 2021-22. In Vaijapur tehsil, the total wages paid under MGNREGS was Rs. 356.33 lakhs in 2017-18 which increased to Rs. 1037.34 lakhs in 2021-22. In Aurangabad district, the total wages paid under MGNREGS was Rs. 2712.54 lakhs in 2017-18 which increased to Rs. 6594.72 lakhs in 2021-22. There is 191.12% increase in the total wages paid under MGNREGS in 2021-22 as compared to 2017-18 in the Vaijapur tehsil and the same for Aurangabad district was 143.12%. In terms of the total wages paid under MGNREGS, Vaijapur tehsil performed better than Aurangabad district.

Table 1.8: Total Wages Paid Under MGNREGS (Rs. In Lakhs)

Area	2017-18	2018-19	2019-20	2020-21	2021-22
Vaijapur Tehsil	356.33	606.01	686.30	578.64	1037.34
Aurangabad District	2712.54	4655.58	3216.19	2913.22	6594.72

Source: <http://mnregaweb4.nic.in/netnrega>

Reasons for Participation in MGNREGS

Table 1.9 shows the reasons for participation in MGNREGS.

Table 1.9: Reasons for Participation in MGNREGS

	Frequency	Percent	Valid Percent	Cumulative Percent
To get employment	160	50.0	50.0	50.0
To increase total income	46	14.4	14.4	64.4
To increase savings	34	10.6	10.6	75.0
To pay off old debts	12	3.8	3.8	78.8
To avoid migration	68	21.3	21.3	100.0
Total	320	100.0	100.0	

Source: Primary Data

Half of the respondents (n=160 or 50%) participated in MGNREGS for getting employment. The second major reason for participation in this scheme was to avoid migration (21.3%). 46 respondents were intended to increase their total income and 34 respondents were intended to increase savings. Only 12 (3.8%) respondents were participated in MGNREGS to pay off old debts.

In how many days got employment under MGNREGS

Table 1.10 indicates that 251 (78.4%) respondents employed within 1-15 days and 46 (14.4%) respondents employed within 16-30 days. Only 23 (7.2%) respondents employed after 30 days. This shows that most of the respondents who demanded job got the employment within 15 days.

Table 1.10: Employed within 15 Days

Duration	Frequency	Percent	Valid Percent	Cumulative Percent
1 - 15 days	251	78.4	78.4	78.4
16 - 30 days	46	14.4	14.4	92.8
Above 30 days	23	7.2	7.2	100.0
Total	320	100.0	100.0	

Source: Primary Data

Impact of MGNREGS on Employment:

Table 1.11 reveals the impact of implementation of MGNREGS on employment generation for the respondents in the study area. Before the participation in MGNREGS the respondents were getting 160.86 days of employment in a year, but after the participation in MGNREGS the respondents are getting 221.56 days of employment in a year. MGNREGS seems the contributor in employment generation.

Table 1.11: Impact of MGNREGS on Employment

Particulars	Before MGNREGS	After MGNREGS
Number of days employment in a year	160.86	221.56

Source: Primary Data.

Hypothesis 1: There is a significant increase in employment after joining MGNREGS.

A Paired T-Test is conducted to find out the significant increase in the employment before and after joining MGNREGS. Table 1.12 indicates the Paired T-Test results for the employment before and after joining MGNREGS. The paired mean difference is -60.70 with a 95% confidence interval ranging from -62.712 to -58.694. The 't' value (-59.439) for the employment before and after joining MGNREGS is significant at 0.05 level (as $p < 0.05$), so the null hypothesis stating that there is no significant increase in the employment after joining MGNREGS is rejected and it is concluded that there is a significant increase in employment after joining MGNREGS.

Table 1.12: Paired T-Test Result for Employment Before and After Joining MGNREGS

Employment	Paired Differences					t	Sig. (2-tailed)
	Mean	Std. Dev.	Std. Error	95% Conf. Interval			
				Lower	Upper		
Before and After MGNREGS	-60.70	18.269	1.021	-62.712	-58.694	-59.439	0.000

Source: Primary Data.

Impact of MGNREGS on Migration

Table 1.12 reveals the impact of implementation of MGNREGS on migration of the respondents in the study area. Before the implementation of MGNREGS the number of migration days in a year was 192 days, but after the implementation of MGNREGS the number of migration days in a year is reduced to 95 days. Earlier the number of family members migrating for livelihood was 229 which after the participation in MGNREGS reduced to 92. This shows that participation of MGNREGS resulted in the reduction of migration for livelihood in the study area.

Table 1.13: Impact of MGNREGS on Migration

Particulars	Before MGNREGS	After MGNREGS
Number of migration days in a year	192	95
Number of family members migrating for livelihood	229	92

Source: Primary Data.

When the beneficiaries were asked about 'MGNREGS helped in reducing migration', 138 (43.1%) of the respondents strongly agree, 79 (24.7%) agree that MGNREGS helped in reducing migration and 57 (17.8%) are undecided about this. But 35 (10.9%) of the respondents disagree and 11 (3.4%) strongly disagree with the statement. The arithmetical mean of this statement is 3.93 with standard deviation 1.164.

Hypothesis 2: There is a significant decrease in migration after joining MGNREGS.

A Paired T-Test is conducted to find out the significant decrease in migration before and after joining MGNREGS. Table 1.14 indicates the Paired T-Test results for the migration before and after joining MGNREGS. The paired mean difference is 0.303 with a 95% confidence interval ranging from 0.250 to 0.357. The 't' value (11.139) for the migration before and after joining MGNREGS is significant at 0.05 level (as $p < 0.05$), so the null hypothesis stating that there is no significant decrease in the migration after joining MGNREGS is rejected and it is concluded that there is a significant decrease in the migration after joining MGNREGS.

Table 1.14: Paired T-Test Result for Migration Before and After Joining MGNREGS

Migration	Paired Differences					t	Sig. (2-tailed)
	Mean	Std. Dev.	Std. Error	95% Conf. Interval			
				Lower	Upper		
Before and After MGNREGS	0.303	0.487	0.027	0.250	0.357	11.139	0.000

Source: Primary Data.

Conclusion

The unemployment rate in Maharashtra is less than the national average. Majority of the workers (95.51%) who applied for job cards are issued job cards. There is a representation of SC and ST category workers, but it is not in sufficient quantity which needs to be increased further. Women are having considerable involvement in

MGNREGS, but it can be increased upto 50%. There is 135.29% increase in the number of individuals worked under MGNREGS in 2021-22 as compared to 2017-18 in the Vaijapur tehsil. On an average 50 days of employment were provided per household under MGNREGS during the year 2017-18 to 2021-22 both in Vaijapur tehsil and Aurangabad district. Very few households completed 100 days of wage employment under MGNREGS. Half of the respondents opined that they participated in MGNREGS only for getting employment. Most of the respondents (78.4%) who demanded job got the employment within 15 days. There is a significant increase in employment after joining MGNREGS. There is a significant decrease in the migration after joining MGNREGS.

Thus, MGNREGS is the contributor in employment generation and in reducing migration for livelihood.

Suggestions

Authorities should ensure that MGNREGS beneficiaries are getting 100 days of employment otherwise they should get unemployment allowance as guaranteed in the MGNEGA. The reasons behind the delay in work allotment and delay in payment of wages are to be identified and rectified accordingly.

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