

Employment Pattern of Job Card Holders under MGNREGS –A Study of Punjab

Mandeep Singh* and Mini Goyal**

ABSTRACT

The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a historical step for India's rural poor and has marked a paradigm shift by going beyond poverty alleviation and recognizing employment as a legal right. A sample survey of 120 job card holders was randomly taken from villages of three agro-climatic zones of Punjab to examine the employment, wage, work activities and work related provisions for the direct beneficiaries under the scheme. Various work activities like rural connectivity, drain outflow of the standing water in the villages, pavement of streets, digging and renovation of village ponds etc. were taken up by the selected job card holders under MGNREGS in the study area. The study found that employment generated by this scheme was very irregular and had declined over the years. The share of employment generated from the scheme in the total annual employment of the respondents was estimated to be 16.28 per cent only. Therefore, it is suggested that a regular work for a minimum of one hundred days should be guaranteed as per the spirits of the scheme.

Key Words: MGNREGA, Job card holders, Employment

JEL Classification: J20, J38, J41, J48

INTRODUCTION

Since the inception of five year plans in India, rural development, poverty alleviation, employment generation and human development have been the top most objectives of the development policies. The National Rural Employment Guarantee Act (NREGA), enacted in 2005 to provide safety to rural poor and weaker section is a milestone in meeting the millennium development goals of reducing the proportion of people who live on less than a dollar a day and suffer from hunger (Swamy, 2013). The Act was implemented

in February 2, 2006 and as per the scheme, the employment is to be provided to every rural household whose adult members volunteer to do unskilled manual work for which each employment seeker is to be registered by village level local self-government, called Gram Panchayat who is the authority for planning, registering, issuing job cards to the beneficiaries, allocating employment and monitoring of works. After due verification, the household is provided a job card. Such household is to be provided work for 100 days in a financial year.

The scheme provides at least minimum wages to every person engaged under it to do work. Payment of wages is to be done on weekly basis but not beyond a fortnight.

*Research Scholar and **Professor of Economics,
Department of Economics and Sociology, Punjab
Agricultural University, Ludhiana.

The scheme states that the work should ordinarily be provided within five kilometers radius of the village of the worker or else extra wages of 10 per cent are payable. The NREGA was renamed as Mahatma Gandhi National Rural Employment Act, with effect from October 2, 2009 and most of the assets generated under MGNREGS relates to natural resource management (Hirway, 2010) and has mainly opened up opportunities for the diversification of agriculture (Saluja and Yadav, 2008). Employment will have to be provided by the village Panchayat within 15 days of work application of the job card holder. If work is not offered to eligible job seekers with the prescribed time limit of days, he/she is entitled to unemployment allowance for first 30 days at 25 per cent of wage rate and for rest of the days, 50 per cent of the wage rates as a legal guarantee are to be given. Works which create durable assets in the villages are to be taken up with machines and engagement of contractors has been completely prohibited in any works under this programme. The scheme attracts the attention of the otherwise unemployed or underemployed workforce because of immediate cash transfer opportunity, which is an inbuilt short-term relief objective. The scheme also aims at the generation of productive assets protecting the environment, empowering rural women, reduces rural-urban migration and fostering the social equity among others. In Punjab, the scheme was implemented in three phases as Hoshiarpur district was selected for MGNREGS in the first stage. Later, three districts SBS Nagar, Jalandhar and Amritsar were included in the scheme on April 1, 2007. All remaining districts were included in the scheme in the third phase on April 1, 2008. There has been a substantial increase in expenditure, employment generation and the number of job cards issued under the

scheme over the period of time in Punjab. About 5.25 lakh, 7.07 lakh, 8.21 lakh, 10.38 lakh and 10.92 lakh of the households were issued the job cards during the year 2008-09, 2009-10, 2010-11, 2013-14 and 2014-15 respectively in the state. More than 75 per cent of the job cards have been issued to the Scheduled Caste households which largely represent rural poor in Punjab. The employment generation under MGNREGS increased from 76 lakh person days in 2010-11 to more than 85 lakh person days in 2013-14 (Anonymous 2015).

OBJECTIVES

Keeping in view the extent of employment generation and the size of the job card holders in the state, a study was conducted to examine the employment, wage, work activities and work related provisions to the job card holders i.e. the direct beneficiaries under the scheme.

METHODOLOGY

A district-wise complete list of MGNREGS job card holders corresponding to the Punjab for the year 2014-15 was downloaded from the official website of the scheme (www.nrega.nic.in). A multistage random sampling technique was used to draw a representative sample. Concentration of MGNREGS job card holders varied widely across all the three agro-climatic zones of the Punjab state. Therefore, Gurdaspur district from sub-mountainous zone, Ludhiana district from central plain zone and Bathinda district from south-west zone of the state were selected randomly at the first stage. From each selected district, two blocks namely Dorangla and Gurdaspur blocks from Gurdaspur district, Pakhowal and Ludhiana-I blocks from Ludhiana district and Talwandi Sabo and Maur blocks from Bathinda district were randomly selected at the second stage. At the third stage, out of each selected block, one village was randomly selected for the study. Thus,

two villages namely Jeewan Chak Wala and Gunia from Dorangla and Gurdaspur blocks respectively from Gurdaspur district, village Pamal from Pakhowal block and Jhammat from Ludhiana-I block from Ludhiana district and Tirath Ram and Kuttiwal Kalan from Talwandi Sabo and Maur block respectively were randomly selected. At the fourth and last stage of sampling procedure, a complete list of all the MGNREGS job card holders in each selected village was prepared with the help of Gram Panchayat and finally, 20 job card holders from each selected village were taken randomly thus, making a sample of total 120 job card holders for the study. All the 120 MGNREGS job card holders were made the respondents under the study. Primary data in year 2014-15 were collected through well designed, pre-tested schedule by adopting the personal interview method and information was also gathered for the year 2011-12, 2012-13 and 2013-14.

RESULTS AND DISCUSSION

Employment Generation

Employment provided to the sampled job card holders under the scheme was measured in terms of man days. The study revealed that (Table 1) none of the job card holders got employment for 60-80 or 80-100 days in any period under the scheme in the state. Overall, during the period 2011-12, out of the total 120 job card holders, majority of them i.e. 65.83 per cent got employment between 20 to 40 days per annum, followed by 11.67 per cent who got 40-60 days of employment and about nine per cent got employment up to 20 days during the year. Similar pattern of employment was observed over a period of time. Most of the sampled job card holders i.e. 52.50, 63.33 and 44.17 per cent had employment between 20 to 40 days per annum during the year 2012-13, 2013-14 and 2014-15 respectively. Only 2.50 per

cent, 3.33 per cent and 5.00 per cent of the sampled job card holders got employment for 40-60 days per annum during the year 2012-13, 2013-14 and 2014-15 respectively. Similarly, about 31, 26 and 38 per cent of the total job card holders in the year 2012-13, 2013-14 and 2014-15 got employment for up to 20 days only. The study highlighted that nearly 13, 14, 8 and 13 per cent of the job card holders could not get any employment under the scheme during the entire study period.

In Gurdaspur district, the majority of the job card holders (42.50%) during 2014-15 were having employment for 20-40 days per annum. About 68, 83, 63 and 43 per cent of the total job card holders had employment for 20-40 days per annum during the year 2011-12, 2012-13, 2013-14 and 2014-15 respectively. About five per cent, 15 per cent, 30 per cent and 27.50 per cent of the job card holders in the year 2011-12, 2012-13, 2013-14 and 2014-15 respectively got employment for up to 20 days only. None of the job card holders reported to had employment for more than 60 days per annum in the Gurdaspur district.

In Ludhiana district, about 53, 40, 43 and 38 per cent of the total job card holders in the year 2011-12, 2012-13, 2013-14 and 2014-15 had got employment for 20-40 days per annum. Considering the above said period, the proportion of job card holders who got employment for 40-60 days per annum came out to be 15, 5, 2.50 and 2.50 per cent, respectively. Similarly, seven job card holders (17.5%), twenty two job card holders (55%), seventeen job card holders (42.50%) and seventeen job card holders (42.50%) in the year 2011-12, 2012-13, 2013-14 and 2014-15 respectively got employment for up to 20 days only. None of the job card holders reported about having employment for more than 60 days per

TABLE 1: EMPLOYMENT OF JOB CARD HOLDERS UNDER MGNREGS IN PUNJAB, 2011-12 TO 2014-15

Employment (days)	(No. of man days/annum)							
	2011-12		2012-13		2013-14		2014-15	
	No.	% age to total	No.	% age to total	No.	% age to total	No.	% age to total
Gurdaspur								
NIL	10	25.00	-	-	1	2.50	9	22.50
Up to 20	2	5.00	6	15.00	12	30.00	11	27.50
20 -40	27	67.50	33	82.50	25	62.50	17	42.50
40 -60	1	2.50	1	2.50	2	5.00	3	7.50
60-80	-	-	-	-	-	-	-	-
80-100	-	-	-	-	-	-	-	-
Total	40	100	40	100	40	100	40	100
Average	26.00		31.55		28.20		22.38	
Ludhiana								
NIL	6	15.00	-	-	5	12.50	7	17.50
Up to 20	7	17.50	22	55.00	17	42.50	17	42.50
20 -40	21	52.50	16	40.00	17	42.50	15	37.50
40 -60	6	15.00	2	5.00	1	2.50	1	2.50
60-80	-	-	-	-	-	-	-	-
80-100	-	-	-	-	-	-	-	-
Total	40	100	40	100	40	100	40	100
Average	27.48		26.00		24.00		20.87	
Bathinda								
NIL	-	-	17	42.50	3	7.50	-	-
Up to 20	2	5.00	9	22.50	2	5.00	17	42.50
20 -40	31	77.50	14	35.00	34	85.00	21	52.50
40 -60	7	17.50	-	-	1	2.50	2	5.00
60-80	-	-	-	-	-	-	-	-
80-100	-	-	-	-	-	-	-	-
Total	40	100	40	100	40	100	40	100.00
Average	28.03		15.63		27.82		28.00	
Overall								
NIL	16	13.33	17	14.17	9	7.50	16	13.33
Up to 20	11	9.17	37	30.83	31	25.83	45	37.50
20 -40	79	65.83	63	52.50	76	63.33	53	44.17
40 -60	14	11.67	3	2.50	4	3.33	6	5.00
60-80	-	-	-	-	-	-	-	-
80-100	-	-	-	-	-	-	-	-
Total	120	100	120	100	120	100	120	100
Average	27.17		24.39		26.67		23.75	

annum in this district.

Similarly, in Bathinda district, nearly 78, 35, 85 and 53 per cent of the total job card holders during the year 2011-12, 2012-13, 2013-14 and 2014-15 reported to be having employment for between 20-40 days per annum. About 17.50, 2.50 and 5 per cent of the job card holders in the year 2011-12, 2013-14 and 2014-15 got employment for

40-60 days per annum. Only two job card holders (5.00%), nine job card holders (22.50%), two job card holders (5%) and 17 job card holders (42.50%) in the year 2011-12, 2012-13, 2013-14 and 2014-15 got employment for up to 20 days only. In the villages under the district Bathinda too, none of the job card holders reported about having employment for more than 60 days

TABLE 2: SHARE OF EMPLOYMENT GENERATED FROM MGNREGS TO THE TOTAL EMPLOYMENT OF SAMPLED RESPONDENTS, PUNJAB, 2014-15

Source of employment	Gurdaspur		Ludhiana		Bathinda		Overall	
	Days/annum	% age to total	Days/annum	% age to total	Days/annum	% age to total	Days/annum	% age to total
MGNREGS	22.38	14.75	20.87	14.32	28	19.94	23.75	16.28
Others sources	129.3	85.25	124.92	85.68	112.39	80.06	122.1	83.72
Total	151.68	100	145.79	100	140.39	100	145.85	100

per annum.

From the above analysis, it may be concluded that the proportion of the job card holders having employment between 20-40 and 40-60 days per annum had declined during the period 2011-12 to 2014-15. On the contrary, the proportion of job card holders getting employment for up to 20 days had increased during the above said period. None of the respondents in the study area, had employment for up to 100 days during any year as per the spirits of the scheme which guarantees for 100 days employment to the job card holders.

Work Activities

Ensuring livelihood security for the poor through creation of durable assets, improved water security, soil conservation and higher land productivity is one of the most important objectives of the MGNREGS. In this regard, various work activities like rural connectivity (e.g. village roads), drain outflow of the standing water in the villages, pavement of streets, digging and renovation of village ponds etc. were taken up by the selected job card holders under MGNREGS in the study area. A perusal of Table 3 showed that overall, in

the study, half of the sampled job card holders were doing the work related to rural connectivity. The proportion sampled job card holders who were doing work related to drain outflow, pavement of streets, cleanliness of village and digging of ponds turned out to be 8.33, 16.67, 14.17 and 10.83 per cent respectively. The number of job card holders who were doing work related to rural connectivity was the highest in Bathinda (22), followed by Gurdaspur (20) and Ludhiana (18). The per cent share of the job card holders who were doing work related to drain out flow, pavement of streets, cleanliness of village and digging of ponds in Gurdaspur district worked out to be 7.50, 15, 12.50 and 15 per cent respectively, while the same figures in the case of Ludhiana district were estimated as 12.50, 22.50, 15 and 5 per cent, respectively. However, the respective figures in the case of Bathinda district turned out to be 5, 12.50, 15 and 12.50 per cent, respectively.

Wage Income

The analysis was proceeded to measure the total amount of income generated from MGNREGS over the last four year. It was

TABLE 3: WORK ACTIVITIES OF MGNREGS JOB CARD HOLDERS IN PUNJAB, 2014-15

Work activities	Gurdaspur		Ludhiana		Bathinda		Overall	
	No.	%age	No.	%age	No.	%age	No.	%age
Rural connectivity	20	50.00	18	45.00	22	55.00	60	50.00
Drain outflow	3	7.50	5	12.50	2	5.00	10	8.33
Pavement of streets	6	15.00	9	22.50	5	12.50	20	16.67
Cleanliness of village	5	12.50	6	15.00	6	15.00	17	14.17
Digging of village ponds	6	15.00	2	5.00	5	12.50	13	10.83
Total	40	100.00	40	100.00	40	100.00	120	100.00

evident from the study that the wage rate under MGNREGS has been enhanced over the last four year. The notified wage rates were enhanced from time to time and were ₹ 153, ₹ 166, ₹ 174 and ₹ 210 in the year 2011-12, 2012-13, 2013-14 and 2014-15, respectively. The study found that income generated from this scheme varied over the period of time and the extent of income earned from MGNREGS was observed to be marginally increased over the last four years. This was due to the enhancement in the wage rate over this period.

The results revealed that (Table 4) overall, in the study area, nearly 44, 40, 46 and 37 per cent of the total job card holders earned their annual income of ₹ 4000 to 6000 during the period 2011-12, 2012-13, 2013-14 and 2014-15, respectively. However, 30 job card holders (25%) in the year 2011-12, 38 job card holders (31.67%) in the year 2012-13, 33 job card holders (27.50%) in the year 2013-14 and only one job card holder (0.83%) in the year 2014-15 earned annual income of ₹ 4000 from MGNREGS works. Corresponding to it, the proportion of job card holders who earned their annual income of ₹ 6000 to ₹ 8000 came out to be 18, 13, 16 and 36 per cent during the period 2011-12, 2012-13, 2013-14 and 2014-15 respectively. None of the job card holders in the year 2011-12 had earned more than ₹ 8000, while only two job card holders (1.67%) in the year 2012-13, 4 job card holders (3.33%) in the year 2013-14 and 16 job card holders (13.33%) in the year 2014-15 were having income of more than ₹ 8000 per annum from the scheme.

Almost similar trend in terms of extent of income generated from MGNREGS scheme was observed in the case of all sampled districts. In Gurdaspur district, about 30, 55, 48 and 28 per cent of the total job card holders earned ₹ 4000 to 6000

annually from MGNREGS between during the period 2011-12, 2012-13, 2013-14 and 2014-15, respectively. However, 10 per cent, 17.50 per cent and 32.50 per cent in the year 2011-12, 2012-13 and 2013-14 had annual income up to ₹ 4000 respectively. None of the job card holder in the year 2011-12 and 2012-13 had earned more than ₹ 8000 per annum respectively.

In Ludhiana district, about 50, 35, 28 and 40 per cent of the total job card holders engaged in MGNREGA earned annual income of ₹ 4000 to 6000 during the period 2011-12, 2012-13, 2013-14 and 2014-15, respectively. The number of job card holders earning income from MGNREGS up to ₹ 4000 per annum came to be 22 (55%) during the year 2012-13, followed by 17 (42.50%) in the year 2013-14 while seven (17.50%) and one (2.50%) in the year 2011-12 and 2014-15, respectively. The proportion of job card holders, who had earned the income level of ₹ 6000 to ₹ 8000, came out to be 17, 5, 15 and 35 per cent during the period 2011-12, 2012-13, 2013-14 and 2014-15 respectively. None of the job card holders in the year 2011-12 earned income of more than ₹ 8000, while only 5 per cent in the year 2012-13, 2.50 per cent in the year 2013-14 and 5 per cent in the year 2014-15 were having income of more than ₹ 8000 per annum.

In Bathinda district, the proportion of job card holders having annual income generated between ₹ 4000 to 6000 from MGNREGS estimated as 52.50, 30, 62.50 and 42.50 per cent during the period 2011-12, 2012-13, 2013-14 and 2014-15 respectively. The number of job card holders earning income up to ₹ 4000 per annum came to be the highest i.e. 19 (47.50%) during the year 2011-12, followed by 9 (22.50%) in the year 2012-13. None of the job card holders in the year 2011-12 and 2012-13 earned income of more than ₹

TABLE 4: DISTRIBUTION OF MGNREGS JOB CARD HOLDERS ON THE BASIS OF WAGE INCOME GENERATED FROM MGNREGS, PUNJAB, 2011-12 TO 2014-15

Income (₹/annum)	2011-12		2012-13		2013-14		2014-15	
	No.	%	No.	%	No.	%	No.	%
Gurdaspur								
NIL	10	25.00	-	-	1	2.50	9	22.50
Up to 4000	4	10.00	7	17.50	13	32.50	-	-
4000 -6000	12	30.00	22	55.00	19	47.50	11	27.50
6000 -8000	14	35.00	11	27.50	5	12.50	14	35.00
> 8000	-	-	-	-	2	5.00	6	15.00
Sub-Total	40	100	40	100	40	100	40	100
Ludhiana								
NIL	6	15.00	-	-	5	12.50	7	17.50
Up to 4000	7	17.50	22	55.00	17	42.50	1	2.50
4000 -6000	20	50.00	14	35.00	11	27.50	16	40.00
6000 -8000	7	17.50	2	5.00	6	15.00	14	35.00
> 8000	-	-	2	5.00	1	2.50	2	5.00
Sub-Total	40	100	40	100	40	100	40	100
Bathinda								
NIL	-	-	17	42.50	3	7.50	-	-
Up to 4000	19	47.50	9	22.50	3	7.50	-	-
4000 -6000	21	52.50	12	30.00	25	62.50	17	42.50
6000 -8000	-	-	2	5.00	8	20.00	15	37.50
> 8000	-	-	-	-	1	2.50	8	20.00
Sub-Total	40	100	40	100	40	100	40	100
Overall								
NIL	16	13.33	17	14.17	9	7.50	16	13.33
Up to 4000	30	25.00	38	31.67	33	27.50	1	0.83
4000 -6000	53	44.17	48	40.00	55	45.83	44	36.67
6000 -8000	21	17.50	15	12.50	19	15.83	43	35.83
> 8000	-	-	2	1.67	4	3.33	16	13.33
Grand Total	120	100	120	100	120	100	120	100

8000, while only one (2.50 %) in the year 2013-14, 8 (20 %) job card holders in the year 2014-15 were having income of more than ₹ 8000 per annum.

A few studies across the country show that an indirect increase in income through the scheme assets have increased the household income of the workers under the scheme to 8-10 times which help them to enjoy better food, clothes and life (Dreze and Oldiges, 2007 and Chabra et al, 2009). The present study indicated that (Table 5) overall, in the study area, total gross annual households income from all sources of sampled job card holders was ₹ 84696. Out of the total income, the share of income

generated from MGRNEGS was 5.89 per cent only. The total average annual family income of job card holders from all avenues was the highest in Bathinda (₹ 91130), followed by Gurdaspur (₹ 82200) and Ludhiana (₹ 80758). This was due to the fact that the job card holders in the case of Gurdaspur and Bathinda district were holding of agricultural land and had generated additional income. Out of gross annual family income, the share of income generated from MGRNEGA was only 5.72, 5.43 and 6.45 per cent in Gurdaspur, Ludhiana and Bathinda district, respectively. Hence, extent of income generated from MGNREGS was quite low which need to

TABLE 5: SHARE OF INCOME GENERATED FROM MGNREGS TO THE TOTAL INCOME OF MGNREGS JOB CARD HOLDERS, PUNJAB, 2014-15

Source of income	Gurdaspur		Ludhiana		Bathinda		Overall	
	₹/ annum	%	₹/ annum	%	₹/ annum	%	₹/ annum	%
MGNREGS	4700	5.72	4383	5.43	5880	6.45	4988	5.89
Non-MGNREGS	77500	94.28	76375	94.57	85250	93.55	79708	94.11
Total	82200	100.00	80758	100.00	91130	100.00	84696	100.00

be enhanced by providing the guarantee employment of at least 100 days as prescribed under this scheme.

Provisions and Entitlements

Unlike earlier programmes, MGNREGS guarantees some work related basic legal entitlements to its workers. An attempt was made in order to assess the functioning of MGNREGS scheme on the basis of the provisions and facilities made available to the sampled job card holders under the study (Table 6). The study found that the entitlements which are the core of MGNREGS were not guaranteed in many cases. Overall, in the study area, all the job card holders got employment within the radius of 5 km as reported by the sampled respondents. However, it was not possible for all the job card holders to find employment within the 15 days of application and to get unemployment allowances in this respect. None of job card holders reported to get wages at weekly interval and unemployment allowances as cited under the scheme was also found missing in the study area. Therefore, these

provisions as rights of the wage seekers must be made available at village level for effective functioning of the scheme.

CONCLUSION

The foregoing analysis clearly indicated that the many ups and down was observed in terms of extent of income generated under MGNREGS over the last four years. No specific pattern was observed in this regard, however, the extent of income was marginally increased over the reference period. The share of wage income generated from MGNREGS was only 5.89 per cent. About 13 per cent of the job card holders could not get any employment under the scheme during the entire study period. None of the respondents had got employment for up to 100 days during any year as per the spirits of the scheme which guarantees for 100 days employment to the job card holders. Disbursement of wages at weekly intervals and unemployment allowances as cited under the scheme were found missing in the study area. Therefore, it is suggested that a regular work for a

TABLE 6: PROVISIONS AND ENTITLEMENTS TO THE JOB CARD HOLDERS WORKING UNDER MGNREGS, PUNJAB, 2014-15

Provisions/Facilities	Gurdaspur		Ludhiana		Bathinda		Overall	
	Yes	No	Yes	No	Yes	No	Yes	No
Getting employment within 15 days of application	-	40 (100)	-	40 (100)	-	40 (100)	-	120 (100)
Getting work within 5 km of radius	40 (100)	-	40 (100)	-	40 (100)	-	120 (100)	-
Unemployment allowances	-	40 (100)	-	40 (100)	-	40 (100)	-	120 (100)
Getting wage at weekly basis	-	40 (100)	-	40 (100)	-	40 (100)	-	120 (100)

Figures in the parenthesis are percentage.

minimum of 100 days should actually be allocated and guaranteed to all job card holders under the scheme. Wages should be enhanced at par with the prevailing rate of wages in other sectors and wage delivery system for getting wages in time should be improved.

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