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House panel flays rural development dept's failure in running MGNREGS



The development comes days after finance minister Nirmala Sitharaman presented the Union Budget for FY23, in which the government allocated ₹73,000 crore for MGNREGA



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
What is MGNREGA?

- The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an **Indian law enacted on August 25, 2005**.
- The MGNREGA provides a legal guarantee for **100 days of employment in every financial year to adult members** of any rural household willing to do public work-related unskilled manual work at the statutory minimum wage.
- The **Ministry of Rural Development (MRD)**, Govt of India is monitoring the entire implementation of this scheme in association with state governments.

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Centre allocates Rs 73,000 crore to MGNREGA, 25.51 pc lower than 2021-22 revised estimate

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The News

Departmentally Related Standing Committees

Committee Name : **Rural Development and Panchayati Raj**
Chairperson Name : Jadhav, Shri Prataprao
Date of Constitution : 13/09/2021



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Seventeenth Lok Sabha

Lok Sabha: 17 ▾

Sl. No.	Report.No.	Subject of The Report	Presented in LS	Presented in RS	Presented Speaker
1	20	Critical Evaluation of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	08.02.2022	08.02.2022	
2	19	Action taken by the Government on the recommendations contained in the Fifteenth Report (Seventeenth Lok Sabha) on 'Demands for Grants (2021-22) of the Ministry of Panchayati Raj	05.08.2021	05.08.2021	

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Panel questions Budget quota for MGNREGA

The details

- **Lower Budgetary allocation**

- Budgetary Allocation of a scheme of such enormous magnitude should be done in a more pragmatic manner so that there is no dearth of funds in mid-year, and flow of funds for payment of wages, material share, etc. is maintained seamlessly.
- It is quite perplexing as to the rationale behind keeping the BE for 2021-22 at ₹73,000 crore, while in the previous financial year the expenditure was to the tune of ₹1,11,170.86 crore.
- The 2022-23 budgetary allocation for MGNREGA was maintained at the same ₹73,000 crore level, despite the fact that the previous year's revised estimates were 25% higher at ₹98,000 crore.
- The scheme's financial statement for 2021-22 already shows a negative net balance of ₹15,683 crore.

The details

- Delay in release of funds
 - The report slammed the “inordinate delays” in wage payments and urged the Department of rural development to “pull up its socks” and take all measures to wipe out the pending wage liabilities of almost ₹2364 crore.
 - Report reads
 - “There may be plethora of reasons causing delay in the payment of wages, but none of the reason can be sufficient enough to justify this blatant nonadherence to the statutory provision of the Act”.

The details

- No Unemployment allowance

- The Committee also said that it was “appalled at the blatant violation of the provision of unemployment allowance”.
- The committee note that no money had been paid out in the current year until November 5 2021, while payments for the last two years were only ₹3000 and ₹12,000 in total.
- The unemployment allowance is mandatory for all applicants who are not given work within 15 days of their seeking employment.

The details

- **Other Issues**

- **The committee also highlighted**

- Lack of effective coordination between centre & states over release of funds
 - Non completion of requisite procedures within stipulated time frame
 - Non updating of muster rolls within three days of completion of work
 - Delay in states paper work over release of funds

The Recommendations

- The committee recommends
 1. Hike in guaranteed days from 100 to 150
 2. Complete utilization of funds & timely documentation
 3. Increase wage rate by linking it to inflation
 4. Unified wage rates across the country
 5. Labour budget of MGNREGA & periodic review