

Role of MGNREGA in Poverty Removal in Rural Areas

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Abstract

MIS provides that average wage paid per day to a worker was Rs 114.5 in 2011-12, and 121.4 in 2012-13. With average number of person days per household being 43.2 and 46.1 in two years, the total amount accrued to per household (on an average) per year amounts to Rs 4946 and Rs 5596 per year which means Rs 13.51 and Rs 15.33 per day for the entire household. For a family of size 4 to 5 in rural areas this is around Rs 3 and Rs 3.41 per capita per day in the two years. To conclude MGNREGA providing sustainable income directly seems questionable from this perspective. However, there are more than these simple statistics.

It also is said to be an instrument of empowerment through generation of income/ earnings for deprived sections of the society curtailing their distress outmigration and inhumane livings. So far as women's share in the earnings is concerned, it is less than men throughout. Of the total workforce females constituted 45.5 per cent in 2011-12 (373.3 lakhs out of 820 lakhs), their share went up in 2012-13 yet it was less than men - 47.05 percent (374.5 lakhs out of 795.9 lakhs).

So far as participation of other deprived sections of society, namely, Scheduled Castes and Scheduled Tribes is concerned, their share in the work force was to the tune of 22.56 for SC and 17.98 for ST in 2011-12 which in 2012-13 almost sustained at 22.74 percent for SC and 17.89 for ST. Compared to the overall 43.2 and 26.1 person days per household in 2011-12 and 2012-13 respectively, number of person days per household remained at 26.2 for SC and 27.75 for ST in 2011-12 and at 28.17 for SC and 28.65 for ST in 2012-13. Again calculating per capita income for SC and ST in two years, the incomes are merely Rs 2 to 2.10 per day per capita.

Our study atypically hints at the impacting outcomes of the Programme on poverty removal. Statistical relationships are established between a) numbers of days of employment under MGNREGA and Poverty level changes, and b) numbers of days of employment and Changes in per capita NSDP. Another analysis attempted is about sustainability of impacts reflected from consumption level changes over different strata of people. Entire exercise is carried out comparing major states of the country. Inequality rose between 2004-05 and 2011-12 as gini coefficient increased from 0.279 in 2004-05 to 0.359 in 2011-12. The share of consumption accruing to the bottom 40 per cent was 19.9 per cent in 2009-10 and 19.6 per cent in 2011-12.