



IMPACT OF MGNREGA ON INCOME AND LIVELIHOOD OF RURAL PEOPLE OF HIMACHAL PRADESH: A STUDY OF DHARAMPUR BLOCK

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Abstract: This paper examines the impact of MGNREGA on income and livelihood of rural people of Himachal Pradesh. India is a country of villages. Rural people who cannot move to cities remain unemployed. To give them employment and for their social well being the Indian govt came up with legislation called Mahatma Gandhi National Rural Employment Guarantee (MGNREGA) Act. This flagship program was launched by the Ministry of Rural Development for the upliftment of rural people by providing them guaranteed wages. This act has a far-reaching impact on the lives of rural people. A majority of the poor in rural areas of the country depends mainly on the wages they earn through unskilled, casual, manual labour. Inadequate labour demand or unpredictable crises that may be general in nature, like a natural disaster or personal like ill-health, all adversely impact their employment opportunities. The programmers provide income transfers to poor households during critical times and also enable consumption smoothing, especially during slack agricultural seasons or years. Based on the experience, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was enacted to reinforce the commitment towards livelihood security in rural areas.

Keywords: MGNREGA, Rural Employment, Livelihood Security, Rural Households, Income

INTRODUCTION

India has more poor people than all of Africa. In the words of Prof. Amartya Sen, "Unemployment has many far-reaching effects other than loss of income, including psychological harm, loss of work motivation, skills and self-confidence, increase in ailments, disruption of family relations and social life, hardening of social exclusion and accentuation of gender inequalities ." In passing legislation to guarantee wage employment to the rural people, the Indian state showed resolute commitment to pursue its vision of inclusive growth. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a milestone in the history of rural development in India and is the largest government intervention of this kind globally. Implementation has thrown new challenges, especially the challenge of making the best use of large sums of money from the public exchequer while also plugging the leakages in the supply pipeline before it reaches the wage labourer in the village. The government of India and state governments have made huge efforts toward meeting this big challenge. Implemented by the Ministry of Rural Development, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is the flagship program of the Government that directly touches the lives of the poor and promotes inclusive growth. The Act aims at enhancing the livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The Act came into force on February 02, 2006, and was implemented in a phased manner. In Phase I, it was introduced in 200 of the most backward districts of the country. It was implemented in an additional 130 districts in Phase II 2007-2008. The Act was notified in the remaining 285 rural districts of India from April 01, 2008, in Phase III. MGNREGA is the first-ever law internationally, that guarantees wage employment at an unprecedented scale. The primary objective of the Act is augmenting wage employment. Communication was one of the critical areas for effective and efficient implementation of the MGNREGA. The Information Educational and Communication (IEC) strategies include newspapers, TV and radio spots, pamphlets and brochures to create awareness. States organized Gram Sabha to communicate key features of the Act. The rationale for transiting from Sampoorna Gramin Rozgar Yojana (SGRY) to MGNREGA was to reinforce the focus on employment and to augment employment generation opportunities.

MANDATE AND OBJECTIVE

The mandate of the Act is to provide 100 days of guaranteed wage employment in a financial year (FY) to every rural household whose adult members volunteer to do unskilled manual work. The objectives of the programme include: Ensuring social protection for the most vulnerable people living in rural India through providing employment opportunities, Ensuring livelihood security for the poor through the creation of durable assets, improved water security, soil conservation and higher land productivity, Strengthening drought-proofing and flood management in rural India, Aiding in the empowerment of the marginalized communities, especially women, Scheduled Castes (SCs) and Scheduled Tribes (STs), through the processes of rights-based legislation, Strengthening decentralized, participatory planning through the convergence of various anti-poverty and livelihoods initiatives, Deepening democracy at the grass-roots by strengthening the Panchayati Raj Institutions (PRIs), Effecting greater transparency and accountability in governance. MGNREGA has become a powerful instrument for inclusive growth in rural India through its impact on social protection, livelihood security and democratic governance.

COVERAGE

The Act was notified in 200 rural districts in its first phase of implementation (with effect from 02 February 2006). In FY 2007–08, it was extended to an additional 130 rural districts. The remaining districts were notified under MGNREGA with effect from 01 April 2008. Since 2008, MGNREGA has covered the entire country except for districts that have a hundred per cent urban population.

MGNREGA IN HIMACHAL PRADESH

The National Rural Employment Guarantee Act was notified by the Government of India in September 2005 and was made effective w.e.f. 2nd February 2006. In the first phase, the National Rural Employment Guarantee Scheme (MGNREGA) was introduced in District Chamba and Sirmour on 2nd February 2006. In the second phase, MGNREGA was started in District Kangra and Mandi w.e.f. 01-04-2007. In the third phase, all the remaining 08 districts of the State have been covered under the scheme w.e.f. 01.04.2008.

NEED AND SIGNIFICANCE OF THE STUDY

Several attempts have been made at the National and State levels to study the impact of MGNREGA on the livelihood of rural households in general but very few detailed and comprehensive studies have so far been conducted on the MGNAREGA among rural households in the Mandi district of Himachal Pradesh. After reviewing some work in this field it is revealed that there is a research gap and none of these studies has undertaken the work to establish the impact of MGNREGA on income and livelihood among the rural households in the Mandi district of Himachal Pradesh in the present scenario.

OBJECTIVES OF THE PRESENT STUDY

The Present study will be undertaken to achieve the following objectives:

- To study the profile of sample households.
- To study the impact of MGNREGA on the income of sample households.
- To study the impact on livelihood security.
- To study the impact of MGNREGA on the employment of the household.

RESEARCH METHODOLOGY

Methodology plays a significant role in the research process. The researcher adopts the methodology based on the type of research study he is engaged with. It does not only help the researcher to formulate the research question but also guides him to adopt a scientific methodology to answer the research concern he is investigating. This research is purely based on qualitative methodology. The present study is a survey. In survey research, the researcher selects a sample of respondents from a population and administers a standardized questionnaire to them. The universe of the study includes 70 households of two wards of Sajao Piplu Panchayat of Dharampur Block of District Mandi. In the present study, the Mandi district will be selected purposively for conducting the present empirical investigation on the impact of MGNAREGA on rural sample households. There are thirteen development blocks in Mandi district viz. Mandi Sadar, Rewalsar, Drang, Chauntra, Chachiot, Siraj, Dharampur, Gopalpur, Sunder Nagar, Karsog, Dhanotu, Nihari and Bali Chowki. At the first stage, the entire block will be arranged in ascending order based on their respective population and one block will be selected randomly. At the second stage, all the panchayats in each selected development block will be arranged in ascending order based on their respective population and one panchayat will be selected randomly from the selected block. At the third stage, a list of families will be obtained from the office of the selected Panchayat and all the villages (Panchayat wards) in each selected panchayat will be arranged in ascending order based on their respective population and one village (Panchayat ward) will be selected randomly from selected panchayat of selected development block. At the Fourth stage, a list of the households will be prepared in the selected villages (Panchayat wards).

NATURE OF DATA USED AND COLLECTED

The researcher has made use of qualitative tools in his study. This study comprises primary and secondary data. The primary data was the data collected through the in-depth interview, participant observation and through observation by using an interview guide. The researcher would also like to show the significance of these methods in his research study. The researcher would discuss how he has used these tools in his research study. He would like to discuss these above-mentioned components separately in the research study.

DATA ANALYSIS AND INTERPRETATION**1. Number of selected households for study:**

The combination of the researcher's research study of the selected wards is shown in Table 1. For the research, 70 percent of the participants are selected from Pipli ward, while 30 percent are selected from Bidi ward. The ward Pipli are larger than Bidi ward.

Table 1 Number of selected households for study

Details	No. of Households	Percentage
Pipli Ward	49	70%
Bidi Ward	21	30%
Total	70	100%

2. Sex wise Category of Households:

sex wise categorization of the selected households are presented in table 2. It is clear from the table that sex wise percentage of household engaged in employment activity are 7.14, 52.86 and 40.00 percent among male, female and both (male and female) respectively. This shows a healthy trend that females are more concerned about this scheme.

Table 2 Sex wise Category of Households

Details	No of Households	Percentage
Male	05	7.14
Female	37	52.86
Both male and female worker	28	40.00
Total	70	100.00

3. Earning status Households:

The earning status of selected households are presented in table 3. It is clear from table that women are dependable on men. 70 percent of men are the earning head of the households. But only 30 percent of women are independent members of households. It is due to their husband's death and illness.

Table 3 Earning status Households

Details	No of Households	Percentage
Male	49	70.00
Female	21	30.00
Total	70	100.00

4. Category wise Participation:

The category wise participation of households in MGNREGA works are presented in table 4. In the selected households 68.57 percent of the households are Gen class and 31.43 percent of the households are SC. In the selected wards there are no ST and OBC classes. It shows that there is a vital problem of unemployment and therefore, both classes of the selected wards are participating in the MGNREGA schemes.

Table 4 Category wise Participation

Details	No of Households	Percentage
Gen	48	68.57
SC	22	31.43
ST	00	00
OBC	00	00
Total	70	100.00

5. Age Group of Households:

The age group wise participation of households in MGNREGA works are presented in table 5. It is clear from the table that 28.57 percent households are belongs 62-73 age group, 15.72 percent households are belongs 48-61 age group, 27.14 percent households are belongs 20-33 age group. It shows that the young and older generation of the selected household are participants in MGNREGA works. This age of group compels us to think about unemployment status of people.

Table 5 Age Group of Households

Age Group (in yrs)	No of Households	Percentage
20-33	19	27.14
34-47	20	28.57
48-61	11	15.72
62-73	20	28.57
Total	70	100.00

6. Educational Status of Households:

The educational status of households participated in MGNREGA works are presented in table 6. It is clear from the table that 38.57 percent households are matriculated and only 10 percent of the participants are 10+2. It is clear from the table that there are no graduates or postgraduates engaged in MGNREGA in the study area.

Table 6 Educational Status of Households

DETAILS	No of Households	Percentage
ILLITRATE	06	8.57
UPTO 5 th	23	32.86
5 th -8 th	07	10.00
9 th – 10 th	27	38.57
11 th – 12 th	07	10.00
Graduate	00	00
Post Graduate	00	00
Total	70	100.00

7. Status of Employment Through MGNREGA:

The status of employment through MGNREGA in study area are presented in table 7. It is clear from the table that only 25.72 percent of the household completed 81 to 100 mandays in MGNREGA.

Table 7 Status of Employment Through MGNREGA

Days	No of Households	Percentage
0-20	06	8.57
21-40	14	20.00
41-60	19	27.14
61-80	13	18.57
81-100	18	25.72
Total	70	100.00

8. Annual Income Status of Households:

The annual income status of households participated in MGNREGA works are presented in table 8. It is clear from the table that 58.57 percent participants have less than 50,000 annual income. This shows the poor economic condition of the rural households of selected wards.

Table 8 Annual Income Status of Households

DETAILS	No of Households	Percentage
Less than 50,000	41	58.57
50,000 – 100,000	21	30.00
1,00,000- 200,000	08	11.43
Total	70	100.00

9. Handicapped Persons Participated in MGNREGA:

The number of handicapped persons participated in MGNREGA works are presented in table 9. It is clear from the table that Only two handicapped persons participated in MGNREGA works.

Table 9 Handicapped Persons in Household Participating in MGNREGA

DETAILS	No of Households	Percentage
General	01	50.00
Scheduled Caste	01	50.00
Total	02	100.00

10. Type of House:

The type of house of households participated in MGNREGA works are presented in table 10. It is clear from the table that 58.57 percent households have pakka houses and 41.43 percent households have kaccha houses.

Table 10 Type of House

Details	No of Households	Percentage
Kachha House	29	41.43
Pakka House	41	58.57
Total	70	100

11. Assets Owned By Households:

The assets owned by households participated in MGNREGA works are presented in table 11. It is clear from the table that only 95.59 percent of households have television facilities. No one has a computer wherever 1.47 percent of households have Jeep, taxi and two-wheelers.

Table 11 Assets Owned By Households

DETAILS	No of Households	Percentage
Television	65	95.59
Computer	00	0.00
Taxi	01	1.47
Jeep	01	1.47
Two-wheeler	01	1.47
Total	68	100.00

12. Livestock Owned by Households:

The livestock owned by households participated in MGNREGA works are presented in table 12. It is clear from the table that 52.94 percent of households have buffalos and cows for milk, 35.29 percent of households have one or two goats and sheep and Only 11.76 percent have oxen for ploughing the field.

Table 12 Animals Owned by Households

Details	No of Households	Percentage
Buffalo/Cow	45	52.94
Goat/Sheep	30	35.29
Oxen	10	11.76
Total	85	100.00

13. Pattern of Landholding:

The pattern of landholding of selected households are presented in table 13. It is clear from the table that 4.29 percent of households have no agricultural land. These households belong to a scheduled caste category. Land use pattern shows that 28.57 percent of households have less than 1 bighas agriculture land, 41.42 percent of households have 1 to 5 bighas agriculture land, 15.72 percent of households have 6 to 9 bighas land and 10 percent of households have more than 10 or 10 bighas agriculture land.

Table 13 Landholding for Agriculture

Landholding (In Bighas)	No of Households	Percentage
No Land Holding	03	4.29
Less than one	20	28.57
1-2	13	18.57
2-3	04	5.71
3-4	07	10.00
4-5	05	7.14
6-7	05	7.14
8-9	06	8.58
10 & More	07	10.00
Total	70	100.00

14. Utilisation of Money Earned Through MGNREGA:

The utilisation of money earned through MGNREGA by households are presented in table 14. It is clear from Table that only 10 percent of households used earned money through MGNAREGA in family functions. Whenever 90 percent households used earned money through MGNREGA in daily expenditure.

Table 14 Utilisation of Money Earned Through MGNREGA

Details	No of Households	Percentage
Daily Expenditure	63	90
Acquiring Assets	0	0
Agriculture Purpose	0	0
Family Function	7	10
Litigation	0	0
Medical Treatment	0	0
Total	70	100

REASULT AND DISCUSSION:

From this study, it has clear that the MGNREGA has given employment to both genders (male and female). They belong to different classes of society and all the respondents have qualifications of below undergraduate. The majority of the households who works in MGNREGA have an annual income of below 50,000 per annum. They lives in kaccha and pakka houses. The majority of households have less than one bigha of land for agricultural and other purposes. The wages earned by the wage earners is used to meet daily need expenditures only. The wages are not utilised for any other purpose. MGNREGA has a far-reaching effect on the social life of the people. It has proven a beneficial scheme for the rural people, especially for those wage earners who can not move to urban places for their livelihood. The rural people are getting employment in the proximity and this scheme has stopped the migration of rural people to urban places to find employment. This scheme has benefited every poor household belonging to different classes of society. The implementation of this scheme has made people meet their daily needs expenditure. This scheme has proven as a social security and welfare scheme for the rural people at their doorstep and it provides benefits to people of all wage earners irrespective of their age. Overall, this scheme is doing well in the reduction of poverty of rural people and the development of villages but there is a strong need to check and monitor the quality of works done under this umbrella scheme. Social audit practices need to be strengthened for proper monitoring and utilization of funds.

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