Original Research Article

MGNREGA and its Impact on Employment and Poverty Alleviation: Study of Pauri Garhwal Distrisct Uttarakhand

Abstract:

Mahatma Gandhi National Rural Employment Guarantee Act is a very vital device for combating unemployment and underemployment inside the rural areas and for attacking rural mass poverty and raising the rural terrible above the poverty line. The prevailing study changed into carried out in Pauri Garhwal district of Uttarakhand. Out of those blocks, Kaljikhal block becomes decided on purposively because of the most quantity of beneficiaries of MGNREGA in evaluation to every other block of the district. The district includes 15 blocks From this block, 15 villages were selected purposively on the basis of the maximum wide variety of beneficiaries. Then 20 beneficiaries of every village have been selected randomly through using the simple random approach. Consequently, the total sample for this has a look at consisted of three hundred beneficiaries. This study examines the impact of MGNREGA on income and employment, poverty alleviation, awareness and suggestions for improving the functioning of the act. Data collection is based on primary household-degree panel survey records from 2013–2015. Percentages, frequency average and regression and correlation evaluation tools has been used. Out of ten independent variables, family and cast type was found to have a non-significant relationship with annual income. The coefficient of multiple determinations (R^2) indicated that most effective 74.03 percentage of the variation in the growth in annual income of the respondents might be explained by means of 10 independent variables. The notably significant F-value reported the confirmation to the validity of R^2 (0.7403). The study has concluded that beneficiaries of MGNREGA much more interested in participating in MGNREGA works and their annual income increased in a significant manner.

Keywords**:** Beneficiaries, Livelihood, MGNREGA, Poverty Alleviation, Variable

1. INTRODUCTION

Poverty is the biggest hostile of human development. Since independence, the issue of poverty within India has remained a common anxiety. According to the general description of poverty, when a person finds it difficult to arrange the minimum requirement for living standards. Millions of people in India are incapable to arrange the basic needs, and according to

government estimates, in 2007 there were nearly 220.1 million people living below the poverty line. According to the Census Report (2011), 83 million people continue to live below the poverty line in rural India. The total number of villages in India have increased from 6,38,588 (Census, 2001) to 6,40,867 (Census, 2011). However, by 2015, an approximated 53 million people still live in extreme poverty and 23.6 per cent of the population still lives under $1.25 per day. This number is predictable to reduce to 20.3 per cent or 268 million people by 2020 [1].

Nearly 21.1 per cent of the entire rural population and 15 per cent of the urban population of India exists in this complicated physical and financial situation. A great deal of further endeavor is needed to generate a hunger-free and poverty-free world [1]. The taking away of poverty is an important situation for economic growth and sustainability. The problem of unemployment and underemployment is an additional important aspect and it has a close link with poverty. In this way, in 2005, India's parliament passed the National Rural Employment Guarantee Act (NREGA), [2] which is the central government's response to the constitutionally manifested right to work and a means to promote livelihood security in India's rural areas. To this end, the Act guarantees 100 days of manual employment at constitutional minimum wage rates to any rural household whose adult member is willing to do unskilled manual work [11]. The manual work needs to create sustainable assets that promote the economic and communications development of the village [3]. This Act was introduced with an aim of improving the purchasing power of the rural people, primarily semi or unskilled work to people living in rural India whether or not they are below the poverty line [4].

With its legitimate structure and right based approach, MGNREGA gives work to the individuals who request it and is an outlook change from prior projects. Notified on September 7, 2005 [12]. The Act was implemented in a phased manner. The act was notified in 200 districts in the first phase with effect from February 2nd 2006 and then extended to additional 130 districts in the financial year 2007-2008, (130 districts were notified with effect from April 1st 2007 and 17 districts in UP were notified with effect from May 15th 2007). The remaining districts have been notified under the MGNREGA with effect from April 1, 2008. Thus, MGNREGA covers the entire country with the exception of districts that have a hundred percent urban population.

Uttarakhand, the MGNREGA was initially launched in 3 districts *i.e.*, Chamoli, Champawat and Tehri in 2006-2007 (Phase-I). Two additional districts, *i.e.*, Haridwar and Udham Singh Nagar were adopted in Phase-II (2007-2008). In the last phase, all the remaining districts have been

notified under the MGNREGA. MGNREGA was introducing to district Pauri Garhwal in the III phase and the implementation of the Act in the district commenced on April 1, 2008 [5, 6, 7]. Considering the above information, in view this study was aimed to analyze the impact of MGNREGA on income and employment, poverty alleviation, awareness and to provide certain suggestions for improving the functioning of the act with special reference to Kaljikhal Block of Pauri Garhwal Districts of Uttarakhand, India.

2. MATERIAL AND METHODS

The prevailing have a look at changed into conducted in Pauri Garhwal district. The district includes 15 blocks. Out of those blocks, Kaljikhal block becomes decided on purposively because of the most quantity of beneficiaries of MGNREGA in evaluation to every other block of the district. From this block, 15 villages were selected purposively on the basis of the maximum wide variety of beneficiaries. Then 20 beneficiaries of every village have been selected randomly through using the simple random approach. Consequently, the total sample for this has a look at consisted of three hundred beneficiaries. Data collection is based on primary household-level survey records from 2013–2015. Primary information had been collected from the chosen beneficiaries the use of specially based interview agenda designed for the observe purposes.

For statistical evaluation, the subsequent analytical techniques were used *viz*., percentages frequency average and regression evaluation tools had been used to investigate the statistics. Correlation and check are extensively utilized to discover the relationship between socio-economic characteristics.

3. RESULTS AND DISCUSSION

The distribution of beneficiary's according to the effect of MGNREGA on annual income and economic improvement has been to be had in table 1. The date indicate that in case of before implementation of MGNREGA programme, maximum of the beneficiary (60.00%) belonged to low income earning group (< Rs 20,000) followed by 34.00 percent of them medium income group (Rs 20,000 to Rs 40,000) and 6.00 percent of them in high-income group (> Rs 40,000) beneficiaries.

While, after the implementation of MGNREGA, a better percentage of the beneficiary (68.00) belonged to medium income earning group (Rs 20,000 to Rs 40,000), 26.67 percent

beneficiary belonged to high income group (> Rs 40,000) and handiest 5.33 percent they belonged to low income earning group (< Rs20,000).

The finding of [2, 5, 6] had been inside the identical of the prevailing finding. [8,10] Additionally support the existing finding reporting that MGNREGA also improved the financial status of the beneficiaries and reduced the degree of poverty in the study area. Pearson's coefficient of correlation changed into labored out to decide the relationship between socio-personal traits of beneficiary namely- age, caste, education, social participation, type of family, size of family, source of information, innovativeness, attitude of beneficiaries towards MGNREGA and knowledge about MGNREGA with annual income increased due to the scheme. It's far understood from the information said in table 2 that variables like education, social participation, size of family, source of information, innovativeness, attitude of beneficiaries towards MGNREGA and awareness about MGNREGA were significant and has positive relationship with improved annual income of the beneficiaries due to the programme and only age was became observed significant but negative relationship with increased annual income of the beneficiaries, while cast and family type were found to have non-significant relationship with annual income. The findings of [8, 9] have been inside the same line of the present findings. It may be stated in other phrases that appear on all the chosen socio-economic characters explained a significant amount of variance in the scores of improved annual income due to the implementation of MGNREGA.

Table 1- Distribution of the respondents according to their annual income accelerated because of the MGNREGA

Categories	Beneficiaries (300)			
	Before		After	
	Number	Percentage	Number	Percentage
Low Income (<Rs 20,000)	180	60.00	16	5.33
Medium Income (Rs20,000-40,000)	102	34.00	204	68.00
High Income (>Rs40,000)	18	6.00	80	26.67
Total	300	100	300	100

Source: Primary Data

Table 3 shows the regression coefficients among decided on socio-economic of the beneficiary and their increased annual income due to the scheme. It's far found that regression co-efficient of education (24.055) and awareness about MGNREGA (12.320) have been significant at 1% level of significant, while family size (-1.608) became negatively significant with increased annual income because of the scheme at 5% level of significant.

The coefficient of multiple determinations (R^2) indicated that only 74.03 percent of the variation in the annual income accelerated due to the scheme would be explained because of 10 selected independent variables. The exceedingly significant F-value reported the confirmation to the validity of R^2 (0.7403) worked out with the variables identified for the study.

Table 2- Correlation among socio-economic characters of the beneficiary and their annual income expanded

Sl. No.	Characteristics	Correlation coefficient (r)	t-value
1	Age	-0.2400*	-4.18
2	Education	0.4710**	9.10
3	Cast	0.1510	2.70
4	Type of family	0.1332	2.26
5	Size of family	0.2532*	4.51
6	Social participation	0.2861**	5.13
7	Source of information	0.2263*	4.02
8	Innovativeness	0.3411**	6.20
9	Attitude of beneficiaries towards MGNREGA	0.3301**	6.10
10	Awareness about MGNREGA	0.4770**	8.30

*Significant at 5%, **Significant at 1%

Table 3- Regression analysis of socio-economic characters of the beneficiary and their annual income expanded

S. No.	Characteristics	Regression coefficient	Std. error of regression coefficient	Computed t-value
1	Age	0.86	0.35	0.85

2	Education	24.055**	1.760	13.619
3	Cast	0.351	1.282	0.273
4	Type of family	-0.045	0.242	0.185
5	Size of family	-1.608*	3.211	0.614
6	Social participation	0.677	3.032	0.223
7	Source of information	0.351	1.282	0.273
8	Innovativeness	1.305	1.561	0.836
9	Attitude of beneficiaries towards MGNREGA	0.900	0.890	1.011
10	Awareness about MGNREGA	12.320**	1.523	8.736

R^2= 0.7403, F-value=3.86 with 10, **Significant at 1% level, *Significant at 5% level

The date presented in table 4 indicate that most of the beneficiaries (71.66%) reported the delay in wage payment, accompanied by the people wanted to paintings for a 100 days (65.83%), people do not get completed information related to programme (62.50%), administration at the block level lacks staff and internet facility (51.66), MGNREGA is the huge scale corruption at all levels (44.66%), Social audit has become very mechanical and only a routine (44.57%), knowledge of activities undertaken (38.43%), administration is the interference of the middlemen in MGNREGA works (37.50%), knowledge about wage per day (33.76%), there is no co-operation between educated and un-educated people (28.80) and 26.43 percent asked to come another day.

Table 4- Became aware of the issues faced by the beneficiaries in obtaining the advantage of the program (N=300)

Particulars	**Beneficiaries**	
	Percentage	**Rank**
Delays in wage payment	71.66	I
People do not get complete information related to scheme	62.50	III
Administration at the block level lacks staff and internet facility	51.66	IV
Administration is the interference of the middlemen in MGNREGA works	37.50	VIII
MGNREGA is the large scale corruption at all levels	46.66	V
People wanted to work for 100 days	65.85	II

Social audit has become very mechanical and only a routine	44.57	VI
There is no co-operation between educated and un-educated people	28.80	X
Knowledge about wage per day	33.76	IX
Knowledge of activities undertaken	38.43	VII
Asked to come another day	26.43	XI

The data show in table 5 indicated that majority of the (72.00 %) beneficiaries recommended that given a boost to boost transparency and accountability in the operation of MGNREGA, extra initiation and awareness should be delivery of the rural poor about the programme were reported by 66.00 percent of the beneficiaries. Most of the beneficiaries (63.00%) suggested that Government delivers significance to effective works. Training to the staff and beneficiaries under MGNREGA has been recommended by 66.00 percent. Proper monitoring and assessment have been 45.00 percent and improving the staff and strength in the program had been discovered VI rank.

Table 5- Suggestions for improvement of the programme (N=300)

Suggestions	**Beneficiaries**	
	Percentage	**Rank**
Government deliver significance to effective work	63.00	III
To Strengthen transparency and accountability in the operation of MGNREGA	72.00	I
Improving the staff strength in the programme	46.00	VI
Extra initiation and awareness should be delivery of the rural poor about this programme	66.00	II
Proper monitoring and assessment	45.00	V
Training to the staff and beneficiaries under MGNREGA	60.00	IV

4. CONCLUSION AND RECOMMENDATION

It could be concluded that after the inclusion of beneficiaries under MGNREGA program their annual income increased in a significant manner. Out of ten independent variables, family and caste type were found to have the non-significant relationship with annual income. Delay in wage payment, people wanted to work for 100 days and people do not get complete information

related to the program have been discovered the foremost problem. To strengthen transparency and accountability within the operation of MGNREGA, and initiation and awareness should be given the rural poor about this program were determined the important suggestion in the study. From this study, we can conclude that Mahatma Gandhi National Rural Employment Guarantee Act is a flagship programme and it is really a boon for the rural poor.

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