

ECONOMIC CHANGES OF MGNREGA IN SENGATTAM PATTI PANCHAYAT, DINDIGUL DISTRICT

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Abstract

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an Indian job guarantee scheme, enacted by legislation on 2005 and implemented on February 2, 2006. In this study an attempt has been made by the writer to examine the economic impact of MGNREGA workers (Before and after) and the statement of problems concern in order to after suitable recommendations for minimizing the problem. The current study is based on both primary and secondary data (Period as 2010-11) and it selected of samples from MGNREGA workers in sample village of Sengattampatti Panchayat, Dindigul district. The study based on seven objectives like as income, expenditure, employment effect, participation size and migration level and causes of migration. It has been create rural sustainable development, employment and reduce the migration and rural hunger. NREGA did not reduce the rural poverty but it is reduced the rural hunger and it failed to provide maximum satisfaction of the rural man in terms of wage and social responsibility hence, only women participation is continuing rapidly.

Keywords: *MGNREGA, migration, rural hunger, NREGA, moneylenders, Political intervention*

Introduction

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an Indian job guarantee scheme, enacted by legislation on 2005 and implemented on February 2, 2006. This act was introduced with an aim of improving the purchasing power of the rural people, primarily semi or un-skilled work to people living in rural India. Around one-third of the stipulated work force is women. The law was initially called the National Rural Employment Guarantee Act (NREGA) but was renamed on 2 October 2009.

I. Impact of MGNREGA in rural

The major dimensions of the impact of MGNREGA can be summarized as the following.

- Increased employment opportunities.
- Higher participation by SC and ST poor.
- Economic empowerment of poor women.

- Relief from rural village moneylenders
- Disengagement from hazardous work.
- Rural asset formation.
- Improvement in rural environment and sanitation.
- Creates SHG by MGNREGA.
- Reducing the rural partiality, hunger, unemployment, and migration.
- MGNREGA creates awareness to the people about the panchayat institution and government activities.
- MGNREGA is increasing purchasing power and agricultural production, saving, income, expenditure.
- Strengthening the Panchayat Raj Institution by MGNREGA.

II. General Problems of the MGNREGA

- Increase Corruption
- No facility in work side
- Political intervention
- Wage determination problem
- Degradation of grazing land
- Create Lazy, between Rural people,
- Low work productivity (may be “Not worked”)
- Lack of work tools
- Participants of pregnant women, children and old age person in NREGA
- Lack of awareness and administration

III. Statement of the Problem

The Minimum wages are not creating high productivity and there is a growing incidence of rural youth shifting from agriculture into unproductive activities as NREGA. The Economic changes are made in rural area by MGNREGA such as wage rates are increases in agriculture and market level. While the MGNREGA work is easily and normal wage than the agriculture and market society. Hence MGNREGA create the labourers deficit in agriculture. In this study on attempt has been made by the written to examine the economic impact of MGNREGA workers (Before and after) and the statement of problems concern in order to after suitable recommendations for minimizing the problem.

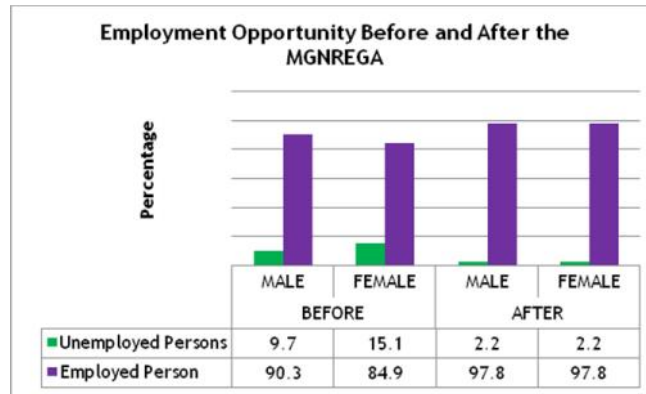
IV. Methodology

The current study is based on both primary and secondary data (Period as 2010-11).The study is selected of samples from MGNREGA workers in sample village of Sengattampatti Panchayat, Dindigul district. Totally 928 households peoples have participant in MGNREGA. Only 93 samples were selected on the basis of randomly from the

total participation households as 10% level (used by interview schedule). The Stratified (restrictive) random sampling technique was adopted in the study.

V. Data Analysis and Findings

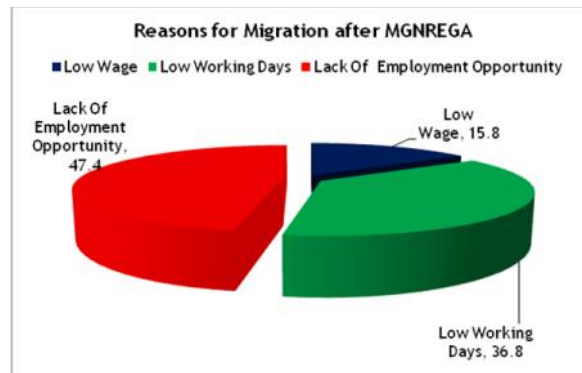
1. Objective- To evaluate the rural employment level after implementation of MGNREGA.



Source: Compiled From the Primary Data.

After joining the MGNREGA, 2.2 per cent and 2.2 per cent of the male and female respondent were unemployed. But 97.8 per cent and 97.8 per cent of the male and female respondents were employed. It concluded that the table, unemployed and employed persons were same position after joining the MGNREGA. Before joining the MGNREGA, 9.7 and 15.1 per cent of the male and female respondents have unemployed person. But after joining the NREGA, 2.2 and 2.2 per cent of the male and female respondents have unemployed. It can be concluded that the level of unemployment has decreased after joining the NREGA. Therefore employment opportunity has increased in rural.

2. Objective- To investigate the migration and causes for migration after the MGNREGA.

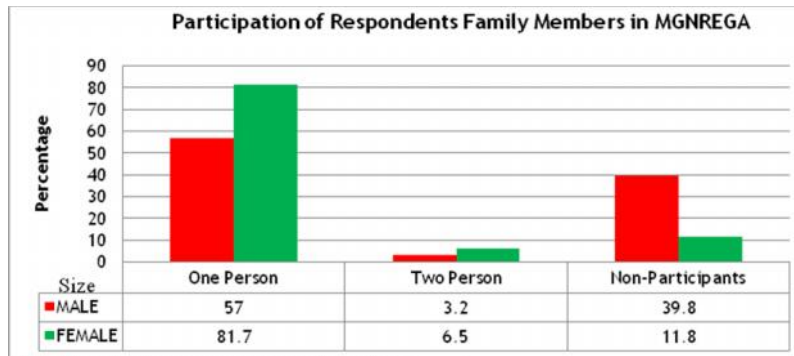


Source: Compiled From the Primary Data.

In this study also find that 79.6 percent (74 Respondents) of the respondents family members have not migrate for the employment, remaining 20.4 per cent (19 respondents) of the respondents family members have migrate for employment. It is explained that reason for migration even though MGNREGA. Most of the respondents have migrated reason for low employment opportunity (47.4 per cent). It is mainly reason for migration and recommend to increases of working days in MGNREGA. Particularly it is prevent that migration and create employment opportunity and standers of living to the people.

3. Objective

To evaluate the participation level from the respondent's family members in MGNREGA



Source: Compiled From the Primary Data

Only one female person were participant in NREGA work from 76 (81.7 per cent) respondents family and two male persons are participant in NREGA work from 6 (6.5 per cent) respondents families. But non-participant male are in NREGA work from 11(11.8 per cent) respondents family. It can be concluded that the one and two male persons were participant from 58 (60.2 per cent) respondent family. But one and two female persons were participant from 82(88.2 per cent) respondents family and non-participant wise male 37(39.8) and female11 (11.8 per cent). It can also be concluded that the women participant is high than the male participant. (This table calculated that the number of persons were received job card in their family)

Paired't' test for Income and Expenditure:

4. Objective

To test the significant difference in Income and Expenditure of the sample respondents before and after getting employment through in MGNREGA, Paired't' test was used.

Null hypothesis:

There is no significant difference in the income and expenditure of respondents before and after getting employment through MGNREGA.

| | | Paired Differences | | | t | df |
|--------------------|--------------|--------------------|----------------|-----------------|--------|----|
| | | Mean | Std. Deviation | Std. Error Mean | | |
| Income | | 11338.710 | 4699.191 | 487.283 | 23.269 | 92 |
| Pair 1 | Before-After | | | | | |
| Expenditure | | 7792.473 | 3607.186 | 374.048 | 20.833 | 92 |
| Pair 1 | Before-After | | | | | |

Source: Computed from Primary data.

The calculated value of 't' 23.269 and 20.833 are greater than table value 2.62 at 1% level of significance. Therefore, the null hypothesis is rejected. Hence, there is a significance difference in the income and expenditure of the respondents before and after getting employment through MGNREGA. Therefore MGNREGA beneficiaries household income and expenditure have increased then the before implementation of NREGA.

Chi-Square Test:

5. Objective-To test the relationship between the educational qualifications and be aware of about MGNREGA Wage of the respondents, chi-square test was used.

Null Hypothesis:

There is a no relationship between the Educational qualification of the respondents and Feel about MGNREGA Wage.

| Educational Qualification | Awareness About MGNREGA Wage | | | |
|---------------------------|------------------------------|----------|---------|-------|
| | GOOD | FAIR | POOR | TOTAL |
| Illiterate | 25(22.3) | 29(26.9) | 7(11.8) | 61 |
| <SSLC | 7(9.1) | 11(11.0) | 7(4.8) | 25 |
| SSLC | 2(1.8) | 1(2.2) | 2(1.0) | 5 |
| HSC | 0(.7) | 0(.9) | 2(.4) | 2 |
| TOTAL | 34 | 41 | 18 | 93 |

Source: Computed from Primary Data Note: Figures in brackets are Expected values

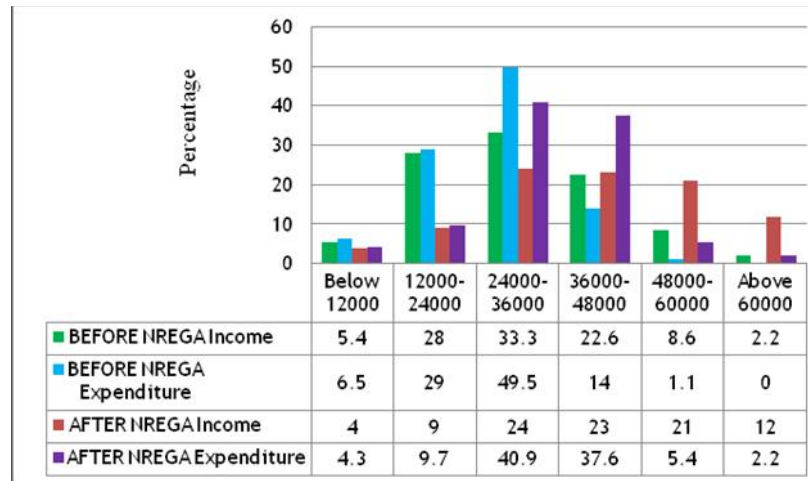
Chi-square (χ^2) value =14.23

Degrees of freedom = 6

Probability = .029

The calculated value of chi-square is greater than the table value at 5 per cent level of significance. Therefore null hypothesis is rejected and alternative hypothesis is accepted. Hence, there is relationship between the educational qualification and awareness about MGNREGA Wage of the respondents.

6. Objective-To analysis the income and expenditure level of MGNREGA beneficiaries' family.



Source: Compiled From the Primary Data.

It shows that, 33.4 per cent and 15.1 per cent of respondents' annual family income and expenditure were found to be higher than Rs 36000, before implementation of NREGA. Totally 60.2 per cent and 45.2 per cent of respondents' annual family income and expenditure were found to be the higher than the Rs 36000, after implementation of NREGA. It is concluded that respondent's annual family income and expenditure also increased after implementation of NREGA.

VI. Policy Recommendations:

7. Objective- To provide suitable recommendations for minimizing the problem of MGNREGA

- Improve and create public awareness by compulsory participant meeting and more advertisement.
- Issue two job cards to above four person of the family. Therefore 200 days of guaranteed employment in a year.
- Qualify of work.
- Expand the limit to employment days.
- Strongly law and punishment to misleading officers.
- Strengthen transparency safeguards and capacity building of workers and institutions.
- Improve bank payment modalities and Introduction of loan facility to workers.
- Employment on the daily wage basis for people with disabilities, old age, illness, pregnancy etc.
- Change or use work position to other sector.
- Must avoid work in grazing land (Pasture land).

- Avoid child labour in work site.
- Organize all wage and employment programmes, and divide MGNREGA workers such as skilled and unskilled workers(aged and disability wise classified).unskilled workers must be used in sustainable development(soil and irrigation) and skilled workers will be used in other sectors(built bridge, road particularly rural infrastructure facility).

Conclusion

It has been create rural sustainable development, employment and reduce the migration and rural hunger. NREGA did not reduce the rural poverty but it is reduced the rural hunger. The study concluded that, MGNREGA create social and economic security to rural poor in the study area. Even it encourages sustainable standard of living of the poor through enhancement of income, saving, investment and optimum consumption level. While it successfully curtailed poverty and migration in the rural area. At the same time, it failed to provide maximum satisfaction of the rural man in terms of wage and social responsibility hence, only women participation is continuing rapidly.

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