Extending MGNREGS

Why in news?

The government should extend the MGNREGA Scheme further.

What is MGNREGS?

- Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was enacted in 2005.
- It is the largest work guarantee programme in the world.
- The primary objective of the scheme is that it guarantees 100 days of wage employment per year to rural households.
- It aims at addressing causes of chronic poverty through the projects that are undertaken, and thus ensuring sustainable development.

What are some findings?

- In 2020, around 4.6 crore households have benefited from MGNREGS.
- 8.4-lakh households have completed at least 80 days of the 100-day limit for work under the MGNREGS.
- Among the 8.4-lakh households, 1.4 lakh have completed the full quota.
- Many poor households have nearly completed their full quota of employment under the scheme in the last two months (May-June 2020).
- This reflects the distress that has driven the people to take recourse to MGNREGS.

What is the government’s decision?

- The government’s decision to extend the scheme into the monsoon season has also benefited households.
- The economy is reeling after extended lockdowns following the Covid-19 pandemic.
- The migrant labourers are losing their jobs in urban areas and returning to their rural homes to avoid hardships.
- During such a time of distress, the extension of the scheme has come as a huge relief to poor families.

What is the issue at the state-level?

- In nearly two-thirds of the States in 2020, demand for MGNREGS work has doubled in a number of districts compared to the previous year.
- Only in States where **kharif crop** was sown, the demand was relatively lower.
- However, some States are resorting to their **own shutdowns** to curtail the spread of Covid-19.
- So, the prospects of a robust economic recovery that would benefit those engaged in casual labour and daily wage-labour remain dim.

Why MGNERGS should be extended further?

- There is a surge in the rate of demand for work under the scheme.
- This suggests that it is time the government thought about extending the 100-day limit under the scheme.
- This extension could be done on a State-by-State basis.
- The swell in agrarian employment in the monsoon season despite the excess supply of labour owing to reverse migration from the cities could depress wages.
- This makes an extension of the limit of workdays under the MGNREGS even more imperative.

What is the way forward?

- Since its implementation, the scheme has acted as insurance for rural dwellers during crop failures and agrarian crises.
- But the Centre looks at it as a fall-back option for the poor.
- Even before the COVID-19-induced crisis, a lack of demand and falling consumption among the poor were constraining the economy.
- If the MGNREGS is utilised as a vehicle for rural development, it could potentially address that problem.
- First, the scheme should be extended from the 100-day limit in the rural areas.
- Then, the lessons from its successes and failures could be used for a more comprehensive job guarantee plan that covers urban India too.

Source: The Hindu

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