NREGA at COVID Times

What is the issue?

- The lockdown due to Coronavirus spread has made a massive economic impact on the most vulnerable sections of the society.
- In this light, here is a look at the response in relation to the National Rural Employment Guarantee Act (NREGA).

What are the existing concerns with NREGA?

- The wage rates under this rural employment programme are abysmally low.
- Also, access to work and regular payments has been a challenge for workers.
- Insufficient fund allocation and perpetual delays in releasing funds by the Centre have led to extensive delays in wage payments.
- As on March 2020, the total pending NREGA wages was at Rs 6,000 crore.
- Pending material payments have mounted to Rs 9,700 crore.
- Besides this, misleading information and interpretation of data has been commonplace in the implementation of the scheme in the last 6 years.
- On the other hand, negligible monitoring of NREGA on the ground and lack of sufficient social audits has diminished the spirit of the scheme.

What is the present relief package?

- The Finance Ministry has announced a Rs 1.7 lakh crore relief package in response to dealing with the COVID-19 pandemic.
- MGNREGS daily wage rate was increased by Rs 20 (Rs 202 from Rs 182).
- This will result in a Rs 2,000 increase in annual income of workers under the schemes.
- NREGA workers can work on ground by following the central advisory for maintaining social distancing.
- Later, the rural development ministry announced that they were releasing Rs 4,431 crore to different states.
- This is to clear the arrears of wages and materials under different NREGA schemes.
- It added that all pending payments will be made till April 10, 2020.

Are these measures effective in addressing the distress?

- Practically, no additional resources have been allocated to NREGA.

- The wage increment was done as part of routine yearly process of wage notification.
- The revised wages were notified 3 days before the relief package was announced.
- It bears no connection with the additional emergency measures in regards with the Covid-19 pandemic.
- The increment of wages too is abysmally low.
- It is far less than agricultural minimum wages of respective states.
- No one knows what NREGA employment levels are going to be in 2020-21, so the average increase in wages by Rs 20 is arbitrary.
- The relief towards clearing arrears would mean that a significant amount of the Budget 2020-21 will have to be spent on clearing arrears of FY 2019-20.
- Notably, even the Rs 4,431 crore would be inadequate to settle all dues.

What should be done?

- NREGA workers belong to the most vulnerable sections of the society.
- The urgent need now is to release all money pending across states and give them full compensation for delay in payments.
- The advisory on social distancing norms for NREGA is not pragmatic.
- This is because working in NREGA involves processes with significant physical proximity.
- Many state governments have decided to suspend NREGA work temporarily, which is a relief.
- In such a scenario, it is imperative that the government pays full notified minimum wage for each day of the lockdown.
- As thousands of migrant workers returned to their native villages, many more will need work under NREGA over the next year.
- In short, workers' dependence on NREGA for survival and coping with immediate stress will increase manifold in the country.
- Given this, the number of days of work per rural household should not be limited to 100 days per year.
- Categories of permissible work should also be expanded to include specific individual benefit schemes and community assets construction.
- The work demand can be aggravated by focusing on water-related schemes that are the need of the hour.
- Unlike the affluent and the middle class, the poor have an additional burden of fighting with hunger and distress.
- So, any relief measure in the interim period and in the long-run should be in line with this fact.

Source: DownToEarth

