VG-G RAM G Bill - The MGNREGA Revamp

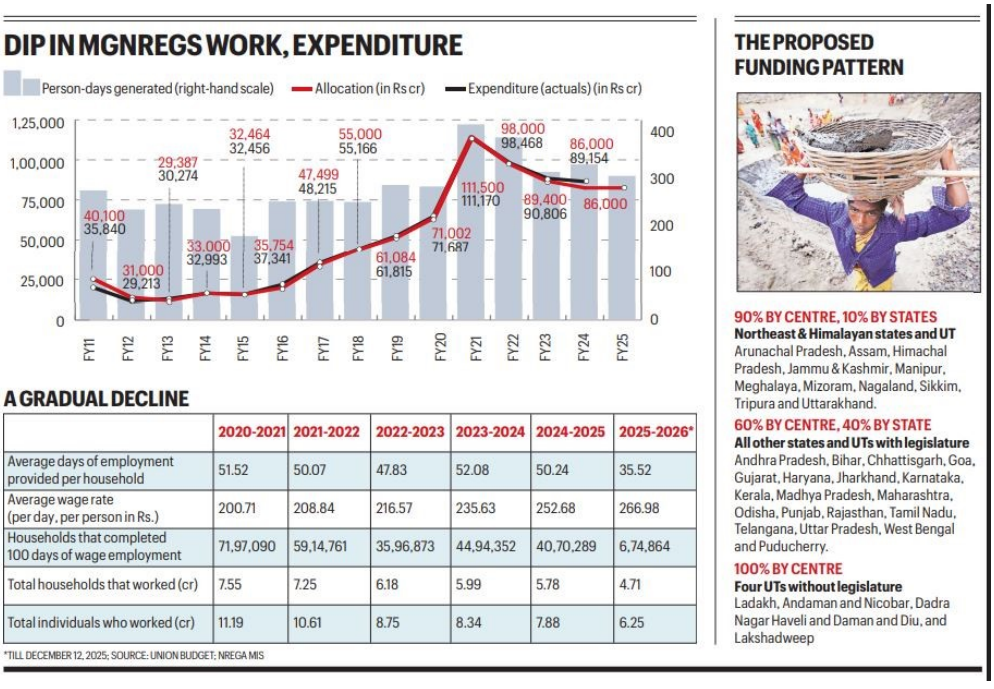
Mains: *GS II – Government policies and interventions*

Why in News?

Recently, the government proposed the VB-G RAM G Bill to replace the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) of 2005.

What are the key changes the VB-G RAM G Bill proposes to the current rural job guarantee framework?

- **Guaranteed wage employment days –** Section 5(1) of the VB-G Ram G Bill proposes *125 days of guaranteed employment* to every rural household whose adult members volunteer to do unskilled manual work.
- MGNREGS guarantees employment for 100 days, the number of families exhausting that work quota has been very limited owing to the large base of active workers.
- **States to share funding burden –** One of the major changes the VB-G RAM G Bill proposes is in the fund-sharing pattern.
- Unlike MGNREGA, where the Centre pays the entire wage bill, states will have to share the wage payment burden under VB-G RAM G.



	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026*
Average days of employment provided per household	51.52	50.07	47.83	52.08	50.24	35.52
Average wage rate (per day, per person in Rs.)	200.71	208.84	216.57	235.63	252.68	266.98
Households that completed 100 days of wage employment	71,97,090	59,14,761	35,96,873	44,94,352	40,70,289	6,74,864
Total households that worked (cr)	7.55	7.25	6.18	5.99	5.78	4.71
Total individuals who worked (cr)	11.19	10.61	8.75	8.34	7.88	6.25

- For Union territories without a legislature, the Union government shall bear the entire cost.

- **Payment structure under the MGNREGA -** The Union government pays
    - The complete wage bill for unskilled manual work
    - Up to three-fourths of the material cost of the scheme (including payment of wages to skilled and semi-skilled workers subject to the provisions of Schedule II)
    - Such percentage of the total cost of the scheme as may be determined by the Union government towards the administrative expenses, which may include the salary and allowances of the programme officers and supporting staff, the administrative expenses of the central council, facilities to be provided under Schedule II and other items.
- The state governments pay for:
    - The cost of unemployment allowance
    - One-fourth of the material cost of the scheme (including payment of wages to skilled and semi-skilled workers subject to the provisions of Schedule II);
    - Administrative expenses of the state council.
- **Normative allocation –** The new "normative allocation" formula transforms the method of allocation of resources into a purely top-down process.
- The Bill defines this as "the allocation of the fund made by the Central Government to the State".
- Normative allocation would be a departure from the MGNREGA provision of the labour budget.
- **Pause during agriculture season –** The VB-G Ram G Bill introduces provisions for pausing the employment guarantee scheme for 60 days during sowing and harvesting to ensure "adequate agricultural labour availability".
- States are to notify this 60-day period in advance.
- They may issue distinct notifications for different areas based on agro-climatic zones, local patterns of agricultural activities or other factors.
- **Viksit Gram Panchayat Plans –** As per the provisions of the Bill, all works under the new scheme shall be originated from the Viksit Gram Panchayat Plans consolidated at the Block, District and State levels and further aggregated into the Viksit Bharat National Rural Infrastructure Stack, which shall comprise a comprehensive listing of works aligned with National development priorities.
- **Thematic domains** – The Viksit Bharat National Rural Infrastructure Stack shall encompass four thematic focus domains:
    - Water security through water-related work
    - Core rural infrastructure
    - Livelihood-related infrastructure
    - Works for the mitigation of extreme weather events
    - These plans will be integrated with the PM Gati Shakti National Master Plan.
- **Gramin Rozgar Guarantee Card –** The VB-G RAM G Bill provides for issuance of Gramin Rozgar Guarantee Cards to an adult member of every rural household willing to undertake unskilled manual work.
- Such persons may submit the names, ages and address of the household to the Gram Panchayat within whose jurisdiction they reside, for the purpose of registration under the new job guarantee scheme.
- **Special cards** – It also has provisions for the issuance of Special Gramin Rozgar Guarantee Cards to
    - Single women,

    - Persons with disability
    - Persons above sixty years
    - Released bonded labourers
    - Persons belonging to Particularly Vulnerable Tribal Groups
    - Transgender persons.
- The special card will have a distinct colour.
- Unlike existing job cards which are valid for five years, the Gramin Rozgar Guarantee Card will be valid for three years, after which it may be renewed upon verification.
- **Higher penalty –** Section 27 of the new Bill provides for a higher penalty for violation of its provisions. The penalty was earlier Rs 1,000; now it is proposed to be Rs 10,000.
- **Annual budget –** For the current financial year, the government has allocated Rs 86,000 crore for MGNREGS.
- For the new scheme, the Rural Development Ministry estimates the annual requirement of funds on wage, material and administrative components at Rs 1,51,282 crore, including the state share. "
- Of this, the estimated central share is Rs 95,692.31 crore," it said.

Reference

The Indian Express| VB-G RAM G Bill

