



IMPACT OF MGNREGA ON AGRICULTURE WAGE RATES AND WORK RELATIONS

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ABSTRACT

The Rural development generally refers to the process of improving the quality of life and economic well-being of people living in relatively isolated and sparsely populated areas. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is considered as a “Silver Bullet” for eradicating rural poverty and unemployment, by way of generating demand for productive labour force in villages. It provides an alternative source of livelihood which will have an impact on reducing migration, restricting child labour, alleviating poverty, and making villages self-sustaining through productive assets creation such as road construction, cleaning up of water tanks, soil and water conservation work, etc. The objective of this paper is to understand the sources of livelihood and the impact of MGNREGA on their sources of livelihood. This paper also attempts to understand the changing daily private wage rate after the implementation of MGNREGA and compare it to the time before its implementation

In addition to this, the paper also attempts to understand the impact of MGNREGA on the changing relationship between farmers and labourers and on the pattern of agriculture. Those laborers who have completed 100 days of work as per the Act and farmers who own vast stretches of land were included in the paper as the impact of MGNREGA on the variables specified above are completely observed in them. The finding of the paper shows the private wage rate has increased, the relations between farmers and labourers was altered and the agriculture pattern has also changed due to the implementation of MGNREGA.

Introduction

The concept of employment and wages can be noticed even during the times when Lord Buddha was alive where he is quoted to have said that men work to satisfy the primary or basic urges of hunger, thirst, and sex, as well as host of secondary wants and desires created by a commercial civilization. It is the active man who lives purposefully, who blesses the world with wealth and wisdom. So work is essential for happy living. Life without work would be an eternal holiday, which is the hell of boredom. Buddha state, a hungry man is an angry man. A man poisoned by discontent is hardly in a fit frame of mind to develop his moral and spiritual life.



Unemployment and economic insecurity leads to tension, irritability, and loss of self-respect without which a healthy mental life is impossible. The former president of USA Bill Clinton went further and said, "I do not believe we can repair the basic fabric of society until people who are willing to work have work. Work organizes life. It gives structure and discipline to life".

Salient Features of the MGNREGA Act

One of the most important features is that wages are to be paid every week not later than a fortnight. In case of any delay in the payment of wages, laborers are entitled to compensation as per the Payment of Wages Act, and no gender bias is permitted. Provisions made for compensation and treatment in case of injury and for on-site safe drinking water, care of small children, periods of rest and a first-aid box are some of the other features of the scheme.

Objectives of the Act

The basic objective of the Act is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment on demand. This work guarantee can also serve other objectives: generating productive assets, protecting the environment, rural empowerment of women, reducing rural-urban migration and fostering social equity, development initiative, public investments for creation of durable assets, decentralized implementation, demand driven and so on.

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, whether or not they are below the poverty line. Thus, it is not just a programme but differs from other schemes because it gives the rural poor the rights to demand that they be given a job or unemployment allowance.

Literature Review

Here as an Indian village economy is largely dependent on the agriculture where one person or few persons own the land and other villagers work as labourers in their lands. Karl Marx says history of the humanity is the history of exploitation of man by man. The conflict is there because those, who own the means of production, exploit the workers because of poor economic conditions to their own advantage. They give minimum possible wages to the workers and extract maximum possible labor. Since labor class lacks the necessary resources to produce for themselves, they are forced to work for others. He divides society in two classes, one is the



exploiter and other is the exploited. Some own the means of production (land), others live by them and this is the reality of Indian villages.

MGNREGA and livelihood:

Some of the field studies articulate, people are happy with the act and it is helping them make use of the agricultural off-season period to obtain work under MGNREGA. They feel, the act is a useful instrument to reduce migration.

Changing daily private wage rate after the introduction of MGNREGA:

After the introduction of MGNREGA the pattern of wage payment has changed. Earlier farmers use to give wheat, rice, and other crop to the labourers as a daily wages but after the introduction of MGNREGA the cash payment has started in the village.

Earlier there was no work available in the village for the labourers and they were dependent on the farmers for work. Hence they accepted whatever they were offered by the farmers. The reason for paying low wages to the labour while working in their agriculture field- labourers work from eight O'clock in the morning till six O'clock in the evening and there they have to perform very hard jobs, but after the introduction of MGNREGA labourers have to work only five hours in the day and work is very easy as compared to farmers. Now there is immense change in the daily wage rate.

The daily private wage rate before the introduction of MGNREGA was ranging up to Rs. 25/- to Rs. 35/- daily and working hours was also more as in contrast to present working hours. , since the work of the MGNREGA is running in the village and all the labourers are getting hundred rupees as a daily wages, they go to work in the MGNREGA. After the introduction of MGNREGA they started to pay ranging up to Rs60-70 per day as a daily wages to the labour. The farmers informed that, they are not in the position to pay Rs.100 per day to the labours as daily wages.

Changing relations among the laborers and farmers after the introduction of MGNREGA:

In the past (before eight years) these laborers used to work with the farmers on a yearly basis. According to the laborers, after the introduction of MGNREGA in the village they stopped working with the farmers in their fields. The reason the laborers gave for not working with the farmers of the village as they did before, was that working with the farmers is like an obligation *tie neck with the rope like an animal*. According to them, when



they were working with the farmer, the laborers were not in a position to attend any kind of *social functions like marriages or partake lunch offered by the relatives on the occasion of different social functions*. The laborers felt that, they were socially excluded while working with the farmers. According to them, if laborers missed one day of work in the informed that, they had to perform very hard work while working with the farmers and their working hours were more as compared to MGNREGA. Besides this, behave the farmers did not treat them well. Therefore the laborers who were working on a yearly basis with the farmers, discontinued to working with them.

MGNREGA and its impact on life of the people

The MGNREGA provides a social security to the poorest people of this country and tries to address the urgent issues of hunger and rural distress that creates problems for a large part of the Indian population. This act in a way has redefined the private wage system of the village, it restructured the relations between the peasant and land less people, the act bringing development and creating changes in the overall life of the daily wage labourers. Most of the labourers works in the MGNREGA along with wives in the MGNREGA worksite which is promoting female exploitation because all the male labourers bringing their wives so that they both can work in order to earn more daily wages.

Overall Impact of MGNREGA in the village

The MGNREGA gave employment opportunity to the rural people. Most of the labourers consider that MGNREGA is their primary source of income. Most of the labourers who used to migrate towards the nearby cities are now working in the MGNREGA. Reducing migration is one of the main objectives of the act. The act is changing the social structure of the village. Under the act people are getting hundred days' right to work which is making their life more prosperous

Infrastructural Development

Nowadays farmers can bring their yield from the field to the home easily through those roads which were constructed under the MGNREGA.

Scarcity of labour

The MGNREGA has changed the pattern of agriculture in the village. Since there is less availability of the laborers in the village hence the farmers are adopting new ways of doing farming. While doing agricultural work with machines the farmers don't get fodder for their animals therefore nowadays farmers reducing their domestic animals.



Source of livelihood

There are very few opportunities in the village for work. The farmers are engaged in agricultural work and the laborers are engaged to work in the field owned by the farmers. After the introduction of MGNREGA in the village the laborers started to find opportunities of working in the villages itself and many laborers who used to migrate to cities from the village came back and started working in the MGNREGA

Reduction in migration

The act gave them good opportunity of livelihood and prevented them from migration. Who migrated towards the nearby cities for work, came back to the village to utilize the opportunities provided under this act.

Improvement in the economic conditions of labourers

Earlier labourers 'conditions was very pathetic; labourers could afford only one meal a day. They are better clothed, there is a change in their way of life also; previously when they take bath they had to make do with scrubbing with sand, they couldn't afford soap but now they have capacity to buy basic needs like soap.

Their financial situation has improved, they have become more aware, they see if the work of the MGNREGA is running in the village, then they work in that otherwise they go outside cities There they get high wages and hence prefer to work there even if the work is harder. Many of them have mobiles, TV, bicycle, their living condition is good, their diet is good and their house condition is also improved they made good roof for themselves.

Changes in the agricultural pattern after the introduction of MGNREGA:

India is an agricultural country. More than 70% of its population is reliant in the agricultural work. Majority of farmers of the country do agricultural work through traditional ways of farming. Before the MGNREGA, the landless people use to work in the fields with the farmers of the village but after the introduction of the MGNREGA in the village these laborers have stopped working with farmers. The farmers started to face problem in their agricultural work because of the reduced availability of the laborers in the village, therefore they started to use those machines in the agricultural work which can reduce the dependency on the laborers. Now the farmers are using harvester machine to perform their agricultural work. If the



farmers reduce their domestic animals then they lose their extra source of income as well as the overall production of milk will reduce in the country.

Farmers are investing more capital in the agriculture and not receiving appropriate returns from it. Though tremendous progress has been made to exploit agriculture potential of the country, but there is a lot to be done. Farmer participant's state according to them, under the MGNREGA, their investment in the agriculture is getting high before because of the increased prices of pesticides and oil. Therefore expenditure in agriculture is very getting high. Besides this, the productivity of the land is decreasing.

Suggestions

- There is the need to enhance agriculture policy of the country, Proper infrastructural development, subsidized agriculture loan and adequate crop price has to reach to the farmers so that the farmers will be able to get appropriate profits from the agriculture and labourers get appropriate daily wage rate.
- There is need to create small dams for irrigation of the land of the village under the MGNREGA scheme. Through this process the farmers of the village would be wealthy and through farmer, labourers' condition would also improve
- Now there is bank payment system there in the MGNREGA which can help to the labourers to save money for the future and also the government is cutting some amount of money from the MGNREGA labourer's payment so that labours can save some amount of money and can take from the government at the time of emergency. This kind of step is very useful which can help labourers in their thick and thin situations.

Conclusion

MMGNREGA is providing vital employment opportunities to the rural poor and is helping to revive the local economy of the Indian villages. the MGNREGA workers and the farmers of the village in order to understand the impact of the MMGNREGA in the daily wage rate of the village, sources of livelihood of laborers and the farmers, the pattern of agriculture after the introduction of MGNREGA and changes in the relations among the laborers and the farmers and overall impact of MMGNREGA in the village.



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