



# MGNREGA Unemployment Benefits Disbursement

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## Why in News?

The [Mahatma Gandhi National Rural Employment Guarantee Act \(MGNREGA\)](#), 2005 has been a crucial lifeline for **rural workers in India**. However, a recent report by the [Parliamentary Standing Committee on Rural Development and Panchayati Raj](#) has shed light on a concerning issue regarding the implementation of the scheme.

## What are the Key Highlights of the Report?

- **Limited Distribution of Benefits:**
  - The report reveals that out of 7,124 eligible workers in the last five years, only 258 received benefits, accounting for **approximately 3% of the total**.
    - According to Section 7(1) of MGNREGA, 2005, individuals **not employed within 15 days are entitled to a daily unemployment allowance**.
- **State-specific Data:**
  - State governments are responsible for providing unemployment allowance based on their economic capacity.
  - **Karnataka** reported the highest number of eligible workers (2,467) but **none received benefits**.
  - Rajasthan ranked second, with 1,831 eligible workers, of which only nine received benefits.
    - Bihar, West Bengal, Jharkhand, and Uttar Pradesh also showed poor distribution records.
  - Despite eligibility, workers in these states either received inadequate benefits or none at all.
- **Pending Compensation for Delayed Wages:**
  - The committee was informed that from the financial year 2018-19 until November 21, 2024, a total of over Rs 13 crores was sanctioned for compensation, and **only around Rs 10 crores were paid, leaving a significant amount pending**.
    - The responsibility of paying interest lies with the **state government**, according to the **Department of Rural Development**.
  - The MGNREGA states that **if wages are not paid within 15 days** of the closure of the muster roll, workers are entitled to compensation for the delay. The **compensation is 0.05%** of the unpaid wages per day of delay beyond the sixteenth day of closure of the muster roll.
- **Recommendations by the Committee:**
  - The committee recommended coordinated efforts between the **Central Rural Development Department and state governments** to ensure proper disbursement of benefits.
  - Measures should be taken to address the non-payment of unemployment benefits.

## Mahatma Gandhi National Rural Employment Guarantee Act

- MGNREGA is one of the largest work guarantee programs in the world launched in **2005 by the Ministry of Rural Development**.

- MGNREGA is a **demand-based wage employment scheme** that provides at least **100 days of guaranteed wage employment** to each family per fiscal year to improve the livelihood security of families in rural areas of the country.
  - It provides livelihood security, which means that rural households have **alternative sources of income** when better employment opportunities are unavailable.
  - There are **14.32 crore registered Job Cards**, with 68.22% active Job Cards, and a total of 25.25 crore workers, of which 56.83% are active workers.
- **Achievements of MGNREGA in 2022-23:**
  - 11.37 crore households availed employment.
  - 289.24 crore person-days employment has been generated out of which:
    - 56.19% were for women
      - 19.75% were for Scheduled Castes (SCs)
      - 17.47% were for Scheduled Tribes (STs).

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### UPSC Civil Services Examination, Previous Year Question (PYQ)

**Q. Among the following who are eligible to benefit from the “Mahatma Gandhi National Rural Employment Guarantee Act”? (2011)**

- (a) Adult members of only the scheduled caste and scheduled tribe households
- (b) Adult members of below poverty line (BPL) households
- (c) Adult members of households of all backward communities
- (d) Adult members of any household

**Ans: (d)**

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