

Status of MGNREGA Employment & Wages in West Bengal FY (April to December 2022-23)

By LibTech India

About this Report:

The union government has not paid MGNREGA(Mahatma Gandhi National Rural Employment Guarantee Act) wages to workers in West Bengal from 21st December 2021. It has withheld the release of over Rs 7,500 crore MGNREGA funds for 'non-compliance of central government directives' invoking the Section 27 of the Act leading to stoppage of NREGA works. In this context, we looked at the current status of NREGA employment and pending wages emanating from the stoppage of funds to the program in West Bengal for more than a year.

Key Findings:

- 10% of the working households & 11% of active workers in the country are in West Bengal.
- 100 percent of wage payments are pending in the state for the past one year.
- Rs. 2,744 Crores still due to workers since 26th December 2021.
- Workers lost about Rs 3,891 Cr to Rs 6,046 Cr in the form of wages during the current year due to stoppage of NREGA works.
- Among different social groups, SCs experienced the highest loss due to the stoppage works.
- Women workers experienced a loss of about Rs 1,870 Cr to Rs 2,758 Cr in wages due to stoppage of works.

Based on data available at <https://nrega.nic.in> as of 18-12-2022, analysis and conclusions have been made. We compared the wages that employees would have made between April and December of the current fiscal year (FY 2022-23) if employment generation had been at the Pre-COVID 19 levels (April to December 2018 & 2019) and COVID -19 levels (April to December 2020 & 2021), taking into account the average wage rate per day in the current fiscal year (FY 2022-23). The report is spread over 3 sections. In the first section we look at some key statistics. Section 2 discusses the amount of wages due to workers, whereas section 3

examines the loss in employment and earnings of NREGA workers as the labour budget was not sanctioned.

Section- 1 Overview:

The following table displays some important statistics around NREGA West Bengal in comparison to the rest of the country for the Financial Year 2022-23.

Table 1: key Statistics as on 18th Dec, 2022, sourced from glance report at www.nrega.nic.in

S.No	Metric	Country	West Bengal	Proportion of West Bengal
1	Total Number of Districts	734	23	-
2	Total Number of Mandals(Blocks)	7,154	345	-
3	Total Number of Panchayats	2,70,336	3,339	-
4	Job Cards Issued (in lakhs)	1,691	158.6	9%
5	Total Number of Active Job Cards (in lakhs)	1,018	103.6	10%
6	Total Number of Active Workers (in lakhs)	1,547	164.9	11%
7	Persondays Generated in FY 22-23 (crores)	219.07	3.73	2%
8	Average Wage Rate per Day per Person	217.6	213.8	-

Section- 2 Payment:

Rs. 2,744 Crores still due to workers since 26th December 2021

As per the Section 3 of NREG Act, all wages are to be paid by the Central government. Further, workers should get their wages within 15 days of completion of a muster roll¹ of work. According to Schedule II, Paragraph 29, for each day's delay beyond 15 days, workers are entitled to a delay compensation at 0.05% per day of the wages earned. As per Stage II tracking [\(R.14.6\)](#), 100 percent of wage payments are pending in the state for the past one year. Workers have been experiencing stalled wage disbursement since [26th December 2021](#) and the pending wages are touching a staggering figure of Rs. [2,744 crore](#).

During a [fact-finding investigation](#), many workers reported that non-payment of wages have impacted food security. They often have to skip meals due to lack of resources. They have had to take loans from private lenders or micro-finance institutions that lend at high interest rates to deal with the current crisis situation.

¹ A muster roll is like an attendance sheet with worker details.

Section - 3 Trends in Employment Generation:

Households working under the programme have declined starkly from 77 lakhs during COVID -19 years to 16 lakhs in the current financial year.

As per the Section 7(1) of NREG Act, all those registered rural workers who demand employment should be provided employment within fifteen days barring which they are eligible to receive unemployment allowance. As the Labour Budget for West Bengal has not been approved, NREGA works have largely come to a standstill except for non demand works.

Table 2: Trends in households employed and persondays generated

	Households employed (Lakhs)	Persondays generated (crores)
Pre - COVID 19	49.25	21.93
COVID -19	77.81	32.01
Current year	16.2	3.73

From the above table, total households working under the programme have declined starkly from 77 lakhs during COVID -19 years to 16 lakhs in the current financial year. Number of workdays generated in the current financial year have fallen from over 32 crores in COVID -19 years to just 3.73 crores. Thus, around 16 lakh worker have worked for 3.73 crores of persondays that have not been compensated for².

Around Rs. 6,046 crores of perceived loss in NREGA wages from COVID -19 years and around Rs. 3,891 crores in comparison to Pre - COVID 19 years. Among different social groups, SCs experienced the highest loss due to the stoppage works.

There has been a huge loss in wages as a result of the stoppage of work. If employment generated was at Pre-COVID 19 levels, the workers would have earned Rs. 4,687 crores more than what is due to them for work done in the current financial year, resulting in a massive drop of 83 percent. The perceived loss is even higher when compared to COVID-19 levels of employment generation at Rs. 6,842

² As opposed to section 3 of MGNREGA 2005, that wages should be paid to workers within 15 days from the date of closure of the muster roll.

crores. Amongst the different communities, the loss in employment is highest for SCs at 91 % resulting in a loss of Rs. 1,669 crores in the COVID-19 years. **Women workers experienced a loss of about Rs 1,870 Cr to Rs 2,758 Cr in wages due to stoppage of works.**

Table 3: Perceived loss in wages if employment generation was at Pre - COVID 19 levels and COVID -19 levels

Social Group	Perceived loss from Pre - COVID 19 years	Perceived loss from Pre - COVID 19 years (in %)	Perceived loss from COVID 19 years	Perceived loss from COVID -19 years (in %)
SC	1,287	89	1,669	91
ST	354	86	500	89
Others	2,251	80	3,878	87
All	3,891	83	6,046	88

According to the aforementioned [report](#), the majority of the workers complained that despite their willingness to work no work has been provided in FY 2022-23. Even those who received work have gotten only 6-12 days of work. Non-availability of MGNREGA work has resulted in increased unemployment in villages especially among women workers who cannot migrate for work. These difficulties are compounded in the case of single women or widows. This has also led to increased migration among workers.

Conclusion:

In the last year, 10.2% of the country's NREGA expenditure was in West Bengal, moreover 10% of all working households and 11% active workers in the country are from West Bengal. The role of NREGA becomes even more crucial in the agricultural off-season, when it becomes the only source of work for a large section of the rural poor in West Bengal. Thus, the stoppage of wages and work in the state has greatly impacted people dependent on NREGA. It is also in violation of Right to life of more than 3.4 crore registered workers across the state. In this context, We appeal to the

political parties, media, CSOs and the people of West Bengal to come together and pressurise the Central and State Governments to ensure that MGNREGA is implemented to the full extent of the spirit of the Act and the rights of workers are upheld.

Appendix

Table 4: Comparison of perceived wages across years

Social group	Wages earned (in Rs. Crores) in FY 2022-23 if employment generation in FY 2022-23 was at		
	Pre - COVID 19 years	COVID -19 years	FY 2022-23
SC	1,453	1,835	166
ST	413	559	59
Others	2,821	4,448	570
All	4,687	6,842	796

About Us

LibTech India is an action-research NGO working on issues created by the adoption of digital technologies in the delivery of public services. We are currently operating across multiple states in partnership with various Govt. Departments, CSOs and funding agencies.

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Email: contactus@libtech.in | +919246522344

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