

Financial crisis of MGNREGA

877. SHRIMATI SHANTA CHHETRI: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether Government is aware that MGNREGA scheme is facing a severe fund crunch with ninety nine per cent of money allocated already exhausted three months before the end of the financial year;

(b) whether Government is aware that severe payment delays and low wages are crippling the programme and depriving people in distress; and

(c) if so, Government's stand on this to resolve the crisis and details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI RAM KRIPAL YADAV): (a) The Ministry releases funds to the State/UT based on the basis of the agreed to Labour Budget, opening balance, pending liabilities of the previous financial year, if any, and overall performance. Fund release to States/UTs is a continuous process and Central Government is committed in making funds available keeping in view the demand for work. The Ministry seeks additional fund for MGNREGS as and when required for meeting the demand for work on the ground. During the current financial year 2018-19 (as on 06.02.2019), Budget allocation has been increased to ₹ 61,084 crore.

(b) and (c) The Labour Budget (persondays) and expenditure under MGNREGA are on an increasing trend. The details of budget allocation and agreed to Labour Budget (persondays) during the last two years and current financial year 2018-19 (as on 06.02.2019) are given below:-

| (in crore) | | |
|--------------------|-----------------------------|---|
| Financial Year | Budget Allocation (in ₹) | Agreed to Labour Budget (persondays) |
| 2016-2017 | 48,220.26 | 220.93 |
| 2017-2018 | 55,167.06 | 231.31 |
| 2018-2019 | 61,084.09 | 247.16 |
| (As on 04.02.2019) | | |

Source: www.nrega.nic.in.

The Ministry along with the States/UTs has been making concerted efforts for improving the timely payment of wages. States/UTs have been advised to generate pay orders in time. This has resulted in considerable improvement in the status of timely generation of pay order and leading to improvement in actual time taken to credit wages in the workers account.