

GOVERNMENT OF INDIA  
MINISTRY OF RURAL DEVELOPMENT  
DEPARTMENT OF RURAL DEVELOPMENT

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2033**  
TO BE ANSWERED ON 15/12/2021

**FUND CRUNCH IN MGNREGA**

2033 SHRI SANJAY SINGH:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether it is a fact that the Centre's flagship rural employment scheme MGNREGA has run out of funds and the scheme shows a negative net balance of ₹ 8,686 crore;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether it is a fact that over 13 per cent of households who demanded work under the scheme were not provided work;
- (d) the reasons therefor and the details thereof; and
- (e) whether it is a fact that the wage payment delays are forcing workers into 'forced labour'?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT  
(SADHVI NIRANJAN JYOTI)

(a) & (b): Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) is a demand driven wage employment programme and funds are released to the States/UTs on the basis of "agreed to" Labour Budget (LB) and performance of the States/UTs during the financial year. The funds allocation has increased more than 18% in the current financial year 2021-22 from previous financial year 2020-21 at Budget Estimate stage from Rs. 61,500 crore to Rs. 73,000 crore. Recently, additional funds of Rs.10,000 crore were allocated for Mahatma Gandhi NREGS as an interim measure. Further, allocation may be made upon assessment of demand during the Revised Estimate (RE) stage.

The offtake of employment from Mahatma Gandhi NREGS is influenced by multiple factors and can't be fully anticipated in advance. Therefore, there is an in-built system of revision of labour Budget of the State/UT based on the utilisation of the approved Labour Budget, past trends, etc.

Fund release to the States/UTs is a continuous process and Central Government is committed in making funds available keeping in view the demand for work on the ground. The available funds are sufficient to meet the current wage liability. Further, higher allocations may be made upon assessment of demand during the Revised Estimate (RE) stage.

(c) to (e): The details of households demanded employment, offered employment and households who have turned up at worksites and availed employment under Mahatma Gandhi NREGS in the financial years 2019-20, 2020-21 and 2021-22 (as on 10.12.2021) is given below:

Financial Year	2019-20	2020-21	2021-22 (as on 10.12.2021)
Households demanded employment (in crore)	6.17	8.55	7.23
Households offered employment (in crore)	6.15	8.54	7.21
Households availed employment(in crore)	5.48	7.55	6.32

While the work demanded closely matches the work offered, the difference of work availed with the former is on account of lack of utilisation of such offering by workers. This could be on account of better employment opportunities elsewhere, illness or any other relevant factor.

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