

MGNREGA starved of funds for second year in a row

Our Bureau



Right to Food Campaign said the shortage of funds has led to millions of workers facing tremendous economic hardships. Drought-hit states worst hit by pending wage payments, say rights organisations

New Delhi, April 7:

Collating figures after the conclusion of the last financial year on March 31, 2016, the Right to Food Campaign (RFC), an umbrella of over 100 rights organisations and individuals, has slammed the NDA government for “starving” the rural jobs scheme, MGNREGA, of funds. “The last financial year came to an end with 24 States facing a total of Rs 12,483 crore worth of pending payments in the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA),” said RFC in a statement.

It said the shortage of funds in these States – which include all the nine States reeling under drought - has led to millions of workers facing tremendous economic hardships due to long delays in wage payments. “As per official calculations – which are a gross underestimation – 58 per cent of the total wages were not paid on time in 2015-16,” said the signatories to the statement, such as Aruna Roy, Annie Raja, Colin Gonsalves among others, adding that as per official records, only 7 per cent of the total rural households registered in the scheme in drought-hit States got work for more than 100 days.

Accusing the Centre of making “false claims”, RFC said the Finance Ministry had released only Rs 2,000 crore of the additional Rs 5,000 crore it agreed to spend on MGNREGA if the expenditure on the programme exceeded the allocated budget of Rs 34,699 crore in 2015-16. “While announcing an allocation of Rs 38,500 crore for MGNREGA for 2016-17, the Finance Minister claimed that “if it is

spent, will be the highest ever expenditure on MGNREA”. But, twice in the past the expenditure on the programme has exceeded the allocation for 2016-17; Rs 39,377 crore in 2010-11 and Rs 38,552 crore in 2013-14,” the statement read.

Pointing out that the programme was recently hailed as a cause for “national pride and celebration” by the Minister of Rural Development, RFC demanded immediate payment of all pending wages, compensation for delayed payments, separate allocation for additional 50 days of employment per household for drought-hit States, hike in wage rate to a minimum of Rs 250 and indexing it to inflation, among others.

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