



Employment Guarantee Scheme of Maharashtra, India

A forerunner to the MGNREGA program, this large-scale, rural employment guarantee in Maharashtra, India helped to build essential infrastructure and reduce poverty (1).

Summary

In response to drought, famine, and poverty in the 1970s, the Maharashtra state government created a guaranteed employment program for adults in rural towns and villages to build infrastructure that improves community resilience to economic and environmental challenges. The work is demand-driven and has to be provided within 15 days of an application, a feature that NREGA later incorporated. Work has to be provided for between 15 to 30 days at a time (2).

Rationale

Emphasis on addressing un- and under-employment, rural development, and poverty alleviation (3). Maharashtra is an impoverished, largely agricultural area, that faces issues of environmental degradation, drought, etc. and was dealing with an environmental and economic crisis in the 1960s and 1970s (4).

Defining Principles

Recognizes the right to on-demand employment for rural unskilled manual laborers. Demand Driven: work has to be provided within 15 days of application. The program objectives include employment, poverty reduction, and productive assets creation along with creating local resilience to economic and environmental challenges.

Dates of Operation

1977 - present (formally implemented through NREGA as amended in 2013).

Number of Program Participants

6.95 million active workers (2023)

Criteria for Participation

All adults in rural areas of Maharashtra are entitled to the employment guarantee.

Pay and Benefits

Wages are determined by piece rates calculated to ensure that a laborer working 7 hours a day gets Rs 3 (in 1977). Wages are paid on a weekly basis on measurement of output of work done (6).



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Financing

The EGS budget represents about 10 percent of the annual state plan (Rs 650.07 crores). At least 60 per cent of the expenditure must be for wages to the laborers, another feature NREGA later incorporated (7).

Implementation

The guarantee is given at the district level. “The EGS administration enjoys wide discretionary powers, especially at the district level and, to a lesser extent, at the block level. Each district is allotted a quarterly budget provision with which to operate,” (8). Works are undertaken departmentally and not through contractors (9).

Types of Work

Manual labor; environmental and agricultural work such as irrigation, soil conservation, and forestry, road and infrastructure construction (10).

Notable Features

15-30 days of guaranteed employment in one stretch (11). Instructions issued require that work should be provided within a radius of 5 kms of the village where the laborer has registered. If employment is provided beyond 5 kms, then arrangements for camping including huts, potable water, sanitary arrangements, first aid medical facilities and a fair price shop have to be made (12). Employment projects were not time limited to 100 days of labor like NREGA, though projects were not started during the peak agricultural season (13).

Challenges

Demand for work is only recognized when it is politically articulated, which leads to an underestimation of jobs needed in some areas (14). The beneficiaries of the guarantee have no choice as to the type of work on which they will be employed or where they will be employed (15). The employment potential created under this scheme was far in excess of the actual labor attendance on the projects; the specific demand for work from several pockets could not be met either because of the lack of suitable projects, the non-availability of sites, land problems, etc (16). The low daily wage is due to women completing less work within a day than the norm provides for, some laborers preferring shorter days than applies in the norms used to set the piece rates, and by overcrowding at work sites (17).



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Program Website

<https://mahaegs.maharashtra.gov.in/en/>

Citations

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