



National Rural Employment Guarantee Act
A Rights Based Law for
Social Protection and Inclusive Growth

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Overview

- NREGA Objectives
- NREGA through the gender lens
 - Design
 - Wages
 - Payment
 - Accountability
- Lessons for social protection policies
- Challenges

NREGA Objectives

- Enacted in September 2005, initially started in 200 poorest districts in early 2006, phased expansion to cover entire country by March 2008
- An Act of Parliament for the enhancement of livelihood security of the households in rural areas of the country by providing up to one hundred days of guaranteed wage employment in every financial year to every household whose adults volunteer to do unskilled manual work

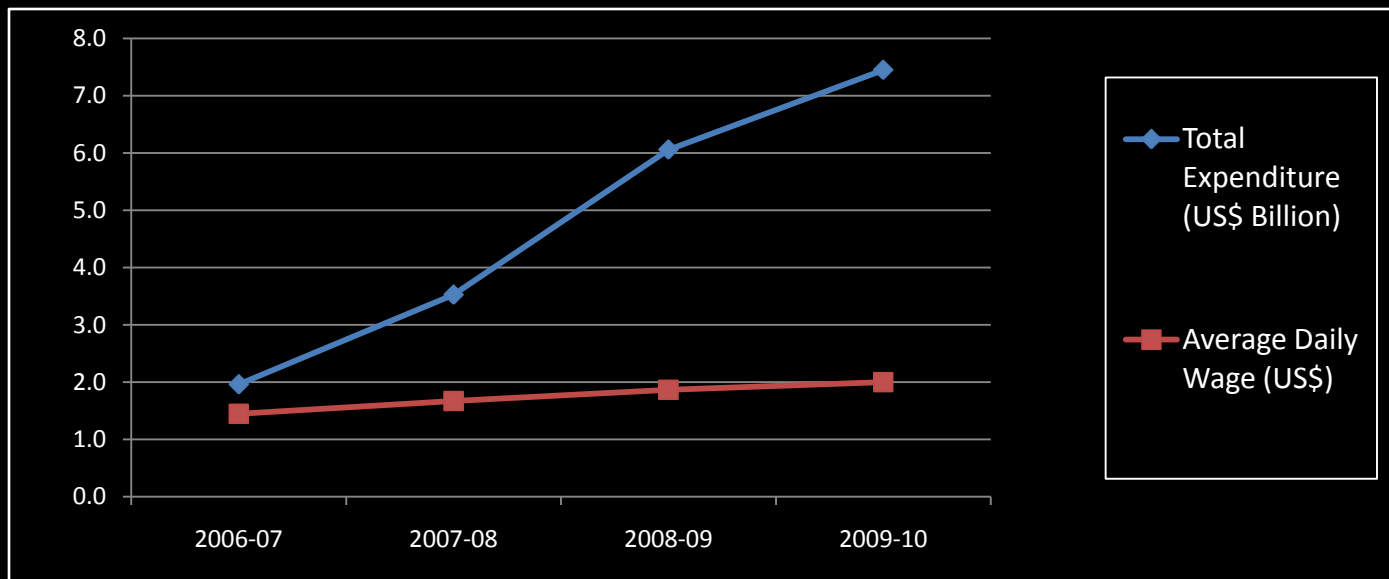
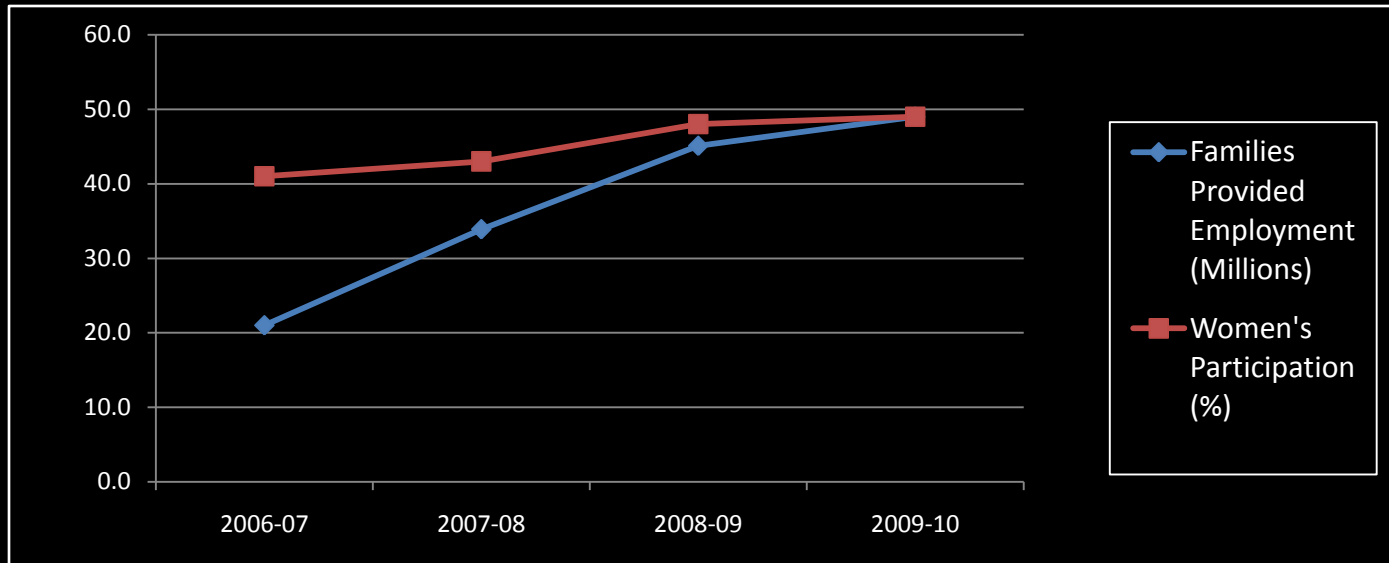
Design

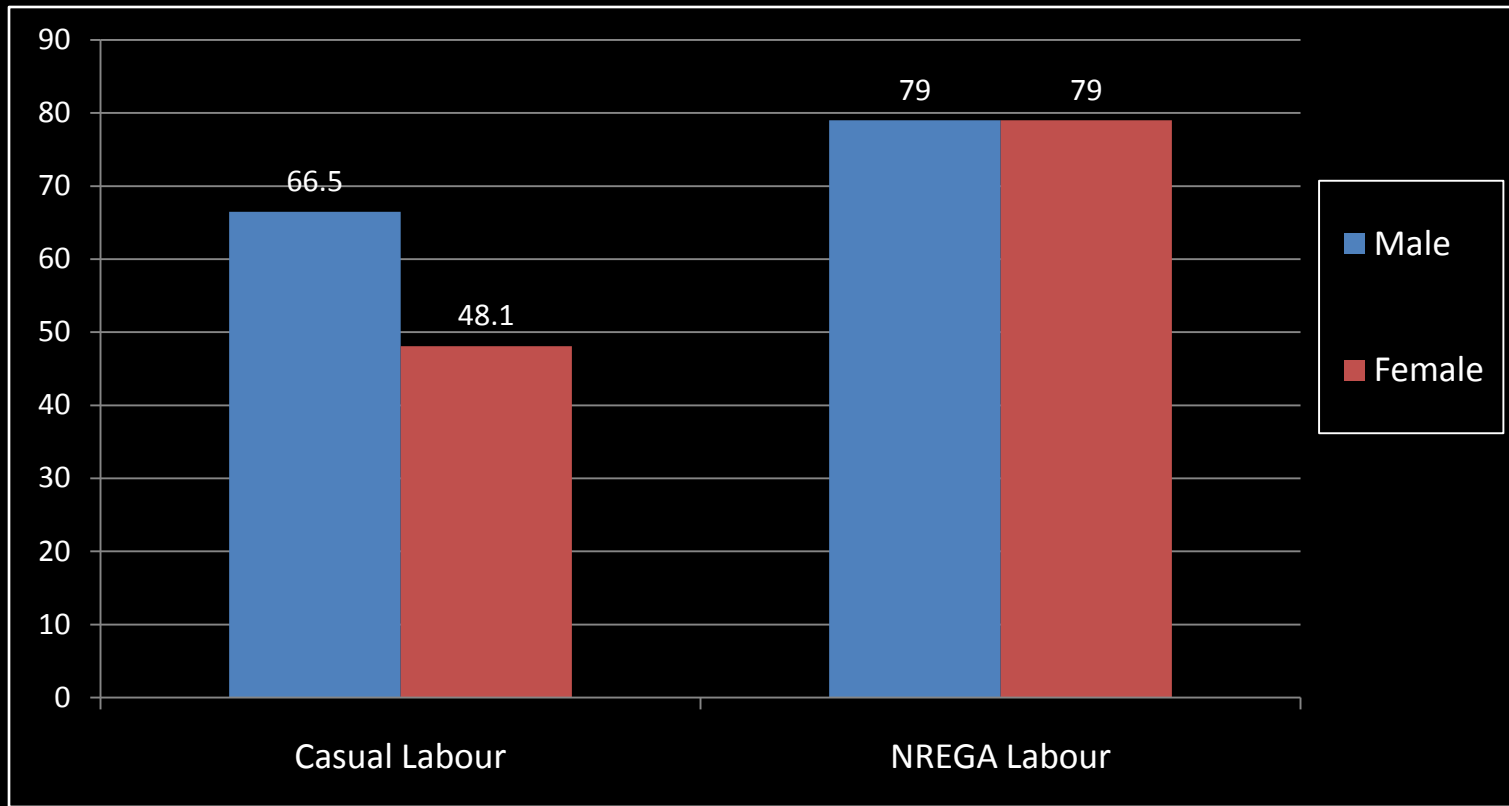
- Targeted at households, not individuals
- Demand driven, rather than supply determined
- Worksite with a radius of 5 km
 - Larger distances in earlier programs barrier to women's participation
- Local government the final implementation authority
 - One-third of local governments headed by women
 - Determines types of works chosen (eg. water conservation)
- “Worksites should provide adequate facilities for drinking water, shade and creche”

Wage

- Compensation calculated on the basis of 'notified minimum wages' by the State government
- Ranges from Rs.80 (\$1.75) to Rs.125 (\$2.50) / day
- Target minimum wage set by the Federal government is Rs.100 (\$2.00) / day
- To be paid within 15 - 30 days of completion of work
- Provision of penalty in case wages remain unpaid
- Unemployment benefit at the minimum notified wage if work is not provided within 15 days of job application

Investment in Social Protection





- 30% gender wage difference in rural unskilled labour market
- No gender wage gap among NREGA workers

Payments

- Identified as the most critical element
 - Huge corruption in earlier workfare programs
- Payments through individual bank accounts
 - 80 million new accounts opened since 2006
- Creates space for women's financial independence
 - Linkages with microcredit and insurance schemes
- “Yes, the bank is far and it is not always possible to go there. But the bank account is very important to me. It is MY money” (*Interview with woman NREGA worker*)

Accountability



Accountability



Lessons Learnt

- ‘Too big to fail’ principle for social protection programs
- Use of other enabling legislations – Right to Information Act, Right to Education Act, Labour Relations Act, Food Security Act
- Convergence with other programs – creche facilities are now being provided by the Integrated Child Development Services (ICDS) program
- Empowerment through financial inclusion – linkage with women’s self-help group movement for microcredit

Challenges

- After the big bang, what next?
- Important to consolidate gains, but also have a long-term plan of action
- Active vigilance against corruption – women have the most powerful voices
- Using the social audit space for mobilization, sensitization and participation
- Finally, political coalitions critical to push gender-responsive change

Thank you

Accountability

- Institution of Social Audits
- Public hearings in the presence of government officials, local government representatives, NGOs and NREGA workers
- Very high participation of women – main grievances being calculation and payment of wages, worksite facilities, lack of other social services in the community
- Early signs of coalition-building and even formation of unions among women workers