

**MINUTES OF THE MEETING OF THE CENTRAL EMPLOYMENT
GUARANTEE COUNCIL HELD ON
18TH AUGUST 2009**

9th meeting of the Central Employment Guarantee Council was held on 18th August 2009 under the Chairmanship of Hon. Minister (Rural Development) List of participants is enclosed at Annexure **A**.

Following issues were listed for discussion in the agenda.

- i) Policy for fixing wage rates under Section 6 (1)
- ii) Inclusion of works in the permissible list of works under NREGA
- iii) NREGA works for individual land holdings of small and marginal farmers (up to 2 hectares)
- iv) Deployment of technical personnel for NREGA
- v) Delay in payment of Wages
- vi) Implementation issues
- vii) Increased demand for employment due to Drought

Hon. Minister (RD) welcomed all members of reconstituted Central Employment Guarantee Council and asked them to offer their valuable suggestions on the Agenda Points with special emphasis on inclusion of new works in the permissible list of works for sustainable development and generation of durable assets. He informed that Ministry of Rural Development is contemplating to include Bharat Nirman Rajiv Gandhi Sewa Kendra to be considered under permissible works under Schedule-I of NREGA. He said that the benefits of works on individual lands have been extended to small and marginal farmers but the interest of SCs/STs will continue to receive highest priority. He also assured that the Ministry would endeavour to ensure timely payment of wages to NREGA workers and the deployment of technical personnel at district level so that work measurement is on time.

The suggestions received from members are indicated below succinctly.

Shri Bhakta Charn Das emphasized the need for strengthening and making foolproof monitoring mechanism at the district, State and national levels.

Dr. Jean Dreze mentioned that the mandate and powers of the Council under NREGA are very wide and need to be fully activated. The Meeting of Council should be more frequent and there must be a mandatory notice of 15 days for the meeting. The functioning and deliberations of the Council should be a model of transparency. He suggested a special section on the Council should be added on the NREGA website and it should contain all the relevant material including rules of the Council, a list of the members (with contact details, minutes of all the council meetings, background documents circulated at these meetings). Policy decisions taken for effective implementation of the programme by Ministry of rural Development should be exchanged among the Members of the Central Council and the channel of communication between Central Council Members and Ministry of Rural Development should be improved upon further. He also pointed out that instances of delay in payment of wages and stressed the need for timely payment of wages particularly in drought affected areas.

Mrs. Aruna Roy suggested that there should be representation of the labourers on the Central Employment Guarantee Council. She also mentioned that the Members should regularly be informed of the policy decisions/amendments carried out in the NREG Act. She appreciated the concept of district ombudsmen as a mechanism of grievance redressal. She reiterated her stand on issue of notification specifying wage rate under Section 6 (1) by Government of India. She pointed out that the notification under Section 6 (1) of NREG Act has been suspended by Andhra Pradesh High Court on the issue that wage rate under Section 6(1) cannot be less than the minimum wage rate under Minimum Wages Act, 1948. She emphasized need for detailed discussion for inclusion of more works under NREGA and on the concept of Low Sewak and its implementation. The issue of delayed payment despite of funds being received by the States in time was also raised by her. It was pointed out that the agenda issues require open ended discussions and for this purpose the next meeting of the Central Council should be decided in advance giving adequate notice to the Members.

In her written submission, she pointed out need for independent evaluation of NREGA by the Council. It was also reiterated that the visits of Council team as well as individual Council members to specific States have been very useful and should be resumed on a regular basis with a clear protocol including time bound reports and follow-up actions. Further it was added that Council Members should also set high standards of accountability, e.g. by preparing annual reports of their individual activities as Council Members and placing them in public domain.

Shri M I Shanvas referred to overlap of rural and urban area specially in the State of Kerala and suggested coverage of NREGA be extended to the poor households of urban area also. He appreciated the amendment extending benefits to small and marginal farmers having landholding up to 2 hectares but also suggested that in case of natural calamities and drought prone areas, it may be extended to farmers having a land holding up to 5 hectares. It will lead to enhanced productivity. He also mentioned that with successful implementation of NREGA, instances of farmers' suicide have substantially declined.

He suggested inclusion of protective trenches for elephants under permissible works under NREGA.

He also emphasized strengthening of monitoring mechanism and suggested vesting district level vigilance committee with powers to take action on the spot.

Shri Manoj Kumar, Commissioner (RD) Uttar Pradesh raised the issue of inadequate personnel at Gram Panchayat level and welcomed the enhancement of administrative expenses to 6% for this purpose. Delay in payment of wages was also voiced by him. He suggested that payment of 2% of transaction cost for implementation of business correspondent model may be considered by the Government of India as it will go a long way to ensure timely disbursement of wages to NREGA workers. Provision of 200 days of guaranteed employment in the event of natural calamities may also be considered.

Shri Sanjay Dixit mentioned about the lack of awareness particularly in respect of registration under the scheme and procedure for demanding work. He also referred to instances

of funds not being utilized and delayed payment has revived migration. He mentioned that present 6% administrative expenses are adequate to intensively carry out IEC activities. He emphasized the need for pilot projects for this purpose. Involvement of civil society organizations and media in the implementation and monitoring of the programme was also suggested by him.

Shri Narayan Singh Amlabe suggested for changing the name of NREGS to Rajiv Gandhi National Rural Employment Guarantee Scheme. He referred to the instances of delayed payment of wages and growing dissatisfaction of workers on this account. Corruption in payment of wages through post offices and wages was also raised by him and suggested strict monitoring to contain the operation of agents. He suggested utilization of MPLADS funds in the implementation of NREGA. Issues of lack of internal development and proper sanitation in rural areas were also raised by him. He also suggested amending the 60:40 wage material ratio, involvement of workers and extension of insurance benefits to the NREGA workers. He emphasized the need for quality monitoring and provision of Rs.10 lakh at Gram Panchyat level.

Shri Sandeep Dixit emphasized the need for strengthening of the penal provisions in the Act and its strict implementation against the officials, irrespective of his position, contravening the provisions of the Act. He also mentioned that sufficient time should be given to the Members to prepare themselves for fruitful discussion of the Agenda in the Central Employment Guarantee Council. He referred to non-payment of unemployment allowances by the States and concluded it to be failure in successful implementation of the programme. He also stressed the need for inclusion of workers representatives on the Central Council and dialogue between Council members and the workers.

Shri Nana Alias Ramesh Pandurang Gawande referred to the Employment Guarantee Scheme in Maharashtra and NREGS and pointed out that the rates under EGS are less and should be enhanced. He also referred to the varying rates of estimates in various departments. He suggested for increase in wage rate and inclusion of SC/ST land development under NREGA.

Shri Pradeep Kumar Majhi mentioned that road connectivity improved in Orissa under Pradhan Mantri Gram Sadak Yojana. He also mentioned that funds are released for the implementation of the NREG scheme but there is no monitoring mechanism for this purpose. He therefore suggested for appropriate monitoring to further strengthen effective implementation of the scheme.

Shri Rangu Rao emphasized the need to monitor success of the NREG programme increasing durable assets. Capacity building of the PRIs for effective implementation of the programme was also referred to by him. Regarding land development on private and public land he suggested that preference should be given to public land first. However, he mentioned that permission by Forest Department is not given for public land and perforce land development activities are taken only on private land. He also mentioned that only easy works are undertaken on account of SORs being complicated and cumbersome and therefore suggested for friendly SORs. He also suggested for regular technical staff at PRIs level.

Shri K S Gopal pointed out that the views of the individuals/stakeholders should be taken into consideration while deciding the shelf of works for a particular Gram Panchayat/block. He emphasized on deciding of criterias for selection of shelf of works in that particular area. He also mentioned about optimizing investment made under NREGA and suggested works on farm land for sustainable agriculture growth. Referring to business correspondent model, he mentioned that this is fraught with risks of carrying huge cash. He referred to proactive transparency and suggested outsourcing of staff for this purpose.

Ms. Amarjeet Kaur, DDG, Ministry of Labour & Employment mentioned about expanding the basket of works under NREGA to create more durable assets and facilitate faster growth of rural economy. She also emphasized the need for exploring new means of providing livelihood and skill development of workers.

Prof. Ashwani Kumar mentioned that Central Council is constituted as per NREG Act and its meeting should be held once in 2 to 3 months to monitor the implementation status of the programme. Regarding implementation of the NREGS he pointed out that there are immediate

as well as long terms tasks, In respect of immediate tasks, he referred to the issues emerged in the group discussions of Working Groups on decentralization, sustainable development, role of technology and public accountability and pointed out that NREGA consolidation, innovation does not mean reintroduction. He favoured the concept of Lok Sewak as a community facilitator to ensure transparency and accountability. Development of social infrastructure like Bharat Nirman Rajiv Gandhi Sewa Kendra was also referred to by him.

Shri P Ravi Kumar, Secretary(RD) Karnataka referred the issue of wage rate and requested for amendment in wage rate notified by Central Government in respect of Karnataka. He suggested inclusion of all houses under land development work under NREGA instead of restricting it to IAY. He also referred to the instances of delayed payment through post offices and banks and proposed for permitting cash payment of wages.

Shri Shrikant Baldi, Secretary (RD) Himachal Pradesh referred to the State Government proposal for revision of wages notified by Central Government and asked for expediting the same. He also referred to the proposal sent to Ministry for inclusion of more works under NREGA.

Dr. Mihir Shah, Member, Planning Commission referred to the drought conditions in the country and emphasized the need for taking up more works of water conservation/harvesting etc. under NREG.

Hon Minister (RD) mentioned that agenda listed for discussion would be deliberated at length with Members of the Central Council and for this purpose next meeting of the Central Council would be convened soon giving adequate time to Members to study the agenda items and offering suggestions towards their implementation. Regarding wage rate, he clarified that there is no relation between the wage rate determined by Central Government for NREGA workers and the wage rate fixed by States for agricultural labourers under the Minimum Wage Act 1948. He also put forth the Government's commitment to provide a real wage rate of Rs.100/- under NREGA. Hon. Minister also urged the Members to undertake field visits in different states to review the performance of the National Rural Employment Guarantee Act and

other implementation issues. He emphasized that it is important to evolve the Act's processes and procedures and progress towards sustainable development. He apprised Members of the fact that NREGA will continue to augment the economic security of the rural poor thereby enabling them to graduate from wage earning to more sustainable forms of employment and livelihood security and this indeed would be a significant step towards their empowerment.

Meeting ended with vote of thanks to the Chair.

Annexure A

Dr. C.P. Joshi
Hon'ble Minister (Rural Development)

Sh. Sisir Adhikari
Minister of State (Rural Development)

Sh. Pradeep Jain
Minister of State (Rural Development)

Ms. Agatha Sangma
Minister of State (Rural Development)

Dr. Rita Sharma
Secretary (Rural Development)

Smt. Raneer Narah
MP(Lok Sabha)

Shri M I Shanavas
MP(Lok Sabha)

Shri Pradeep Kumar Manj
MP(Lok Sabha)

Shri Bhakta Charn Das
MP(Lok Sabha)

Ms. Amita Sharma
Joint Secretary (Rural Development)

Smt. Rajwanti Sandhu
Special Secretary
Ministry of Panchayati Raj

Sh. Srikant Baldi
Secretary
Ministry of Rural Development
Government of Himachal Pradesh

Sh. P.Ravi Kumar
Secretary
Ministry of Rural Development
Government of Karnataka

Shri. B.N. Kaithal
Joint Secretary & Legal Advisor

Shri. D. K. Jain
Joint Secretary
Ministry of Panchayati Raj

Shri. Manoj Kumar
Commissioner
Rural Development
Govt. of Uttar Pradesh

Shri. C.M. Sharma
Deputy Secretary
Department of Agriculture & Coperation
Ministry of Agriculture

Shri. K.K.Sharma
Deputy Secretary
Ministry of Women & Child Development

Ms. Amarjeet Kaur
Deputy Director General
Ministry of Labour and Employment

Shri. Ashish Kumar
Deputy Director General
Ministry of Social Justice Empowerment

Shri Nana Alias Ramesh Pandurang Gawande
Zilla Parishad
Nagpur(Maharashtra)

Shri Sanjay Dixit
President(Youth Congress)
Lucknow (UP)

Ms. Aruna Roy
Mazdoor Kisan Shakti Sangathan

Mr. Jeane Dreze
Govind Pant University, Allahbad

Shri. K.S. Gopal
Centre for Environment Concerns
Hyderabad

Prof. Ashwani Kumar

Shri Rangu Rao