

IMPACT OF MGNREGS ON INCOME PATTERN OF BENEFICIARIES IN PUNJAB

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ABSTRACT

Mahatma Gandhi National Rural Employment Guarantee Act scheme, being a demand-based initiative, holds a special place in the development process of country. Mahatma Gandhi National Rural Employment Guarantee Scheme provides guaranteed wage employment to all those rural households whose adult members are willing to do unskilled labour work. The main objective of the scheme is to promote the social and economic well-being of the rural people. It was launched in Punjab on 2nd February, 2006. It was implemented in Punjab in three phases. In the first phase, Hoshiarpur district was selected and then three more districts in second Amritsar, Jalandhar and Nawanshahr were covered during 2007-08. The scheme was extended to all the districts of Punjab on April, 2008 (www.nrega.nic.in). This study examines the impact of Mahatma Gandhi National Rural Employment Guarantee Scheme on income pattern of beneficiaries. The sample comprises of 480 respondents, 80 each from Tarn Taran, Amritsar, Ludhiana, Moga, Kapurthala and Hoshiarpur districts. The method followed is purposive sampling method. A detailed questionnaire schedule dealing with different aspects of Mahatma Gandhi National Rural Employment Guarantee Scheme has been prepared. The survey for study has been conducted during January 2019 to January 2020 time period. The Paired Samples t-test is used to examine the difference between sample workers' income pattern before and after joining scheme. The study concludes that Mahatma Gandhi National Rural Employment Guarantee Scheme has improved the income pattern of rural poor.

KEYWORDS: *Income pattern, income sources, Mahatma Gandhi National Rural Employment Guarantee Scheme, rural households.*

INTRODUCTION

In India, due to the high incidence of poverty and unemployment, employment guarantee has special significance. Government enacted National Rural Employment Guarantee Act to meet the urgent need of a demand-based programme which can also provide guarantee of at least some minimum employment days to rural poor. In the rural areas, majority of population depends upon agriculture for employment, which gives rise to more under-employment and unemployment situations. Uninterrupted and guaranteed employment for the full year is the only requirement of rural poor. An appropriate enactment was, indeed, needed to empower rural poor so that they can demand work on the strength of that legal entitlement. The Act provides a legal guarantee of at

least 100 days of employment, to start with, on asset-creating programmes every year at minimum wages for at least one able-bodied person in every rural urban poor and middle-class household. On account of the experience gained from Employment Guarantee Scheme in Maharashtra, it had to be eventually implemented in all the rural areas of the country. Due to which, a new legislation had been proposed through National Rural Employment Guarantee Bill, 2004. The National Rural Employment Guarantee Bill (2004) was passed by the Lok Sabha on August 18, 2005 and by the Rajya Sabha on August 24, 2005. It was formally launched in Anantapur District of Andhra Pradesh on October 12, 2005. The scheme was initially started in 200 districts of the country. But National Rural Employment Guarantee Scheme (NREGS) covered all the districts in the year 2008. At present, 734 districts of the country are covered under the scheme (Annual Report MRD, 2010-11, 2011-12 and 2015-16).

The National Rural Employment Guarantee Act came into force on 1st April, 2007 in different areas of different states. It was then extended to Jammu and Kashmir State (23 of 2007). The nomenclature of the Act has been changed to the **Mahatma Gandhi National Rural Employment Guarantee Act** with effect from 2nd October, 2009 (42 of 2009).

THE MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT, 2005 (42 of 2005) states that “*An Act to provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work and for matters connected therewith or incidental thereto*” (www.nrega.nic.in).

REVIEW OF LITERATURE

The study assessed impact of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) on income pattern of beneficiaries in Punjab. The literature review gives us an idea about the nature of research work done on the MGNREGS in Punjab and in other states of India. It also highlights the gaps where further research can be accomplished.

Shah and Mohanty (2010) reviewed the MGNREGS in terms of assets creation, employment generation, drought proofing and migration reduction. The study found MGNREGS as a successful scheme in terms of drought prevention, watershed development, asset creation and other public works. The scheme had covered all marginalized groups of society. However, the employment generation process was not satisfactory as a meager proportion of households had got 100 days of employment under the scheme. Even the proportion of households who got registered under the scheme was low. Wages offered under the scheme are low relative to market wage rates. **Rengasamy and Kumar (2011)** study analyzed the state-level performance of Mahatma Gandhi National Rural Employment Guarantee Scheme. This study makes comparative analysis of different states and examines the impact of scheme on farm mechanization and agricultural wages. The study has found that the scheme is unsuccessful in providing 100 days of employment to each and every rural household. Poor households were provided with lower employment days when compared to non-poor households due to their insufficient representation in the group selected for the participation. Some of the participants also reported bribery for securing employment under the scheme.

Sarkar et al. (2011) study examined the impact of MGNREGS on socio-economic status of rural poor in the Burdwan district of West Bengal. The study has found that a large proportion of

beneficiaries were from backward group. On the other hand, non-beneficiaries include a major share of general caste group people. The study highlights that the socio-economic conditions of beneficiary households are comparatively weaker than thereof others. Beneficiaries have comparatively lower education level than non-beneficiaries. While labour is the main occupation of beneficiaries, non-beneficiaries get major proportion of their income from farming. Beneficiaries, when compared to non-beneficiaries, are not resource rich in terms of land ownership. **Ghose (2011)** study examined the impact of MGNREGS on employment, wages and income of the rural poor. The study has found that MGNREGS has provided additional wage employment to rural poor. The MGNREGS wage rate is not lower than the prevailing wage rate in economy. The scheme has significantly increased the income of the workers. But the contribution of scheme towards removing poverty is limited because of the rise in food price inflation. The study finds some problems in the implementation of scheme.

Bebarta (2013) study examined the impact of MGNREGS on the socio-economic lives of tribal population of Gajapati District of Orissa. The study found that MGNREGA beneficiaries are only aware of minimum wages. And there was lack of awareness about other components of scheme. It was found that all the beneficiaries have custody of their respective job cards. Majority of MGNREGA workers were engaged in either rural connectivity works or water conservation activities. Tree plantation activities were also performed by a large proportion of workers. The study highlights delay in payments due to non-tracking of e-muster rolls and lack of banking facilities. **Borah and Bordoloi (2014)** have conducted study to examine the impact of MGNREGA scheme on daily waged women workers. The study has found that women participation in scheme has increased. Due to the scheme, purchasing power of women workers has also increased. Most of women wages have been spent on food items and other consumption items. The beneficiaries responded that the contribution of MGNREGA earnings in their household income has increased their food security.

Karthika (2015) study examined the effectiveness of MGNREGA in socio-economic development and women empowerment in Kerala. The study has also discussed the implementation process and role of Panchayati Raj Institutions in the same. The study reveals that most of the beneficiaries in the scheme were women. This scheme has enhanced beneficiaries' economic and social welfare. The study found that social skills such as communication, decision making, and mobility have improved amongst MGNREGA beneficiaries. Most of the Panchayats in Kerala State ensure that workers are to be provided at least 100 days of MGNREGA employment as stipulated in the Act. **Gnyaneshwar (2016)** study examined the role of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in women empowerment in Andhra Pradesh. The study found positive impact of MGNREGS on women income and consumption pattern. Increased income has raised their contribution in household activities and decision-making procedures. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has also increased women participation in community governance. The study found some loopholes in scheme implementation. Corruption was the major factor affecting MGNREGS performance. Women face societal discrimination inside the house as well as on worksites. Childcare facilities, which are much needed to enhance women participation in the scheme, are being neglected.

Pandey (2017) study assessed the impact of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme in employment generation, asset creation and infrastructural development of rural India. The study found that MGNREGS has significant

impact on employment generation and poverty reduction. The States and Panchayati raj institutions play an important role in monitoring the implementation of scheme. Due to the lack of social audit, the verification of works by government officials has significant shortcomings. **Roy (2017)** examined the impact of social audit on Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) performance in Tripura State. The study found better implementation and effectiveness of social audit under MGNREGS in Tripura state as compared to other States. But the social audit was more or less seen as financial audit. The study found that corruption and malpractices hinder the implementation of scheme in the state. The functioning of Panchayati raj institutions and gram sabhas should be strengthened to enhance the effectiveness of social audit in the area.

Mehta and Rekha (2019) examined MGNREGS effectiveness in improving socio-economic status of rural households of Jodhpur District of Rajasthan. The study found that beneficiary households have comparatively lower educational levels. Their socio-economic conditions are also not very satisfactory. The study suggests that more awareness about features of scheme should be created among beneficiaries to improve its effectiveness. There is a need to make monitoring and social auditing of scheme more effective so that households get job cards and payments on time without any hassle and delay. **Sinha and Mukhopadhyay (2019)** study was conducted in three districts: Burdwan, Nadia and Murshidabad of West Bengal. The study finds that beneficiaries of MGNREGA have experienced social, economic and societal empowerment. The study has also shown that MGNREGS works raised households' income, asset possession and cattle stock. Due to the MGNREGS employment, their annual income and possession of animal resources, domestic articles and farm equipments has increased.

Barman and Debnath (2020) conducted a study on effectiveness of MGNREGA scheme on rural employment in Nalbari district of Assam during the year 2017-18. The study finds significant increase in household income, expenditure, education and other household facilities. The study has also found significant improvement in the source of drinking water, toilet facility usage and lighting. Women participation in the scheme has increased in the study area. Some workers get unemployment allowance but some do not avail it due to unawareness and lack of orientation. **Vasudevan et al., (2020)** study examined the role of MGNREGS in coping unemployment problem during Covid period. The study has also measured the scale of reverse migration in India witnessed during pandemic times. The study analyzed the profile of migrants who had been coming back to the area. With effect from 1st April, 2020, the daily wage rate of workers has been increased to Rs. 202. But different states have varied wage rates. In the past, the completion rate of MGNREGS projects was limited and the scheme had not been providing adequate employment to needy people. In the new normal, it was suggested that the priority focus should be given to sanitization, healthcare and hygiene.

Swain (2021) analyzed the impact of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) on socio-economic development of beneficiaries in Kalahandi district of Odisha. The study has also found that beneficiaries' consumption level of food and nutrition has increased. In addition, a significant improvement has been noticed in their health, education, housing, clothing and other living conditions. The study reveals that the incidence of poverty has declined due to the membership of the scheme. A significant improvement in the social empowerment of women has also been observed. **Turangi (2022)** analyzed the working of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in India. The study has revealed that different factors are responsible for inter-state variations in performance

of scheme. The participation of local bodies such as gram panchayats and gram sabhas which is given utmost importance in the Act was also asymmetrical in different states. The study concludes that the demand for employment under MGNREGS depends upon the availability of farm and non-farm employment. That is why MGNREGS employment was having higher demand in non-irrigated areas as compared to irrigated areas. But MGNREGS employment has played a great role during pandemic times by providing necessary livelihood to rural poor.

NEED OF THE STUDY

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been selected as per its importance and relevance. MGNREGS is the flagship scheme of the government of India for employment generation and poverty alleviation and through this schemes, millions of poor people have been pulled out of poverty.

OBJECTIVES AND HYPOTHESES

The present study entitled “Impact of MGNREGS on Income Pattern of Beneficiaries in Punjab” has been conducted with the objective of evaluating the impact of the scheme on beneficiaries’ income pattern in Punjab.

Null Hypotheses (H₀): there is no significant difference in income pattern of beneficiary households before and after joining MGNREGS.

Alternative Hypotheses (H₁): there is significant difference in income pattern of beneficiary households before and after joining MGNREGS.

RESEARCH METHODOLOGY

The study is basically based on primary data for analyzing the impact of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) on income pattern of beneficiary households. For the purpose of collecting primary data, well-structured questionnaire schedule has been prepared. The method of data collection used is personal interview method. Punjab state has been selected for the survey. Punjab comprises of three regions i.e., Majha, Malwa and Doaba. For data collection, two districts are selected from each of these regions. One district from each region is selected on the basis of criterion (higher number of beneficiary households completed 100 days under MGNREGS in Financial Year 2017-18). Thus, Tarn Taran from Majha region, Ludhiana from Malwa region and Kapurthala from Doaba region are selected. Similarly, one district from each region is selected on the basis of criterion (higher total employment days provided under MGNREGS in Financial Year 2017-18). Thus Amritsar, Moga and Hoshiarpur districts are selected from Majha, Malwa and Doaba respectively. The sample comprises of 480 respondents, 80 each from Tarn Taran, Amritsar, Ludhiana, Moga, Kapurthala and Hoshiarpur districts. The survey for study has been conducted during January 2019 to January 2020 time period. The Paired Samples t-test is used to examine the difference between sample workers’ income pattern before and after joining scheme. The Paired Samples t-test compares the means of two measurements taken from the same individual, object, or related units.

RESULTS AND DISCUSSION

INCOME IMPACT

MGNREGS has improved the income of rural poor directly by providing 100 days employment on demand on minimum wage rate and indirectly by raising the market wage rates (Rengasamy and Kumar, 2011)

MAJHA SAMPLE DISTRICTS

Majha sample districts include Tarn Taran and Amritsar districts. The respondents were asked about their family income and sources of income before and after joining MGNREGS. From table 1 and figures 1 and 2, in case of Tarn Taran, majority of respondents reported to have up to 25 percent share of MGNREGS income in their total income. In case of Amritsar, majority of respondents (92.5 percent) have up to 25 percent MGNREGS share in the total income. Some respondents (7.5 percent) have more than 25 percent share of MGNREGS income also. Most of the workers in Tarn Taran and Amritsar districts depend upon manual and unskilled labour works. They usually participate in MGNREGS works during the agricultural off-season days when the demand for labour in agricultural activities is less. Many of them go to nearby suburban and urban areas for casual jobs also when they do not get MGNREGS works or agricultural labour works.

From the analysis of income sources, it is clear that in case of Tarn Taran, all the sample workers have similar sources of family income after joining MGNREGS. They were doing labour before joining scheme and now added MGNREGS works to their additional income source. In case of Amritsar five respondents who were previously engaged in private jobs shifted to MGNREGS works. Another seven respondents who were engaged in self-employment have shifted to MGNREGS employment now. All these workers perform unskilled manual work under MGNREGS or any other activity. This shift of workers shows that rural people regard MGNREGS work as an important additional source of employment.

Respondents were asked about their income level before and after joining MGNREGS. In case of Tarn Taran, before joining MGNREGS majority of respondents (56.3 percent) had income level in the range of Rs. 4001 to 5000 per month. Thirty four percent respondents had income in the range of Rs. 5001 to 6000 per month. While 8.8 percent had level of income in the range of Rs. 3001 to 4000 per month, few 1.3 percent had level of income in the range of Rs. 6001 to 7000 per month. However, after joining MGNREGS, almost half (48.8 percent) of beneficiaries have level of income in the category of Rs. 6001 to 7000 per month. While 33 percent respondents have income in between Rs. 7001 to 8000 per month, few beneficiaries' income is above Rs. 8000.

In case of Amritsar, before joining MGNREGS, it is found that majority (72.5 percent) of beneficiaries had income level in the range of Rs. 4001 to 5000 per month. While 21.3 percent of them had income level in the range of Rs. 5001 to 6000 per month, only 6.3 percent had income level in the range of Rs. 3001 to 4000 per month. However, after joining MGNREGS, more than half (66.3 percent) of beneficiaries have income level in the range of Rs. 6001 to 7000 per month. While 25 percent of them have income in between Rs. 7001 to 8000 per month, another 8.8 percent have income level in the range of Rs. 5001 to 6000 per month. Hence the scheme has been successful in raising beneficiaries' income level.

TABLE 1: INCOME IMPACT IN MAJHA SAMPLE DISTRICTS

Number of Beneficiaries				
Particulars	Tarn Taran		Amritsar	
	Frequency	Percent	Frequency	Percent
Share of MGNREGS Income in Total				
0-5%	0	0	0	0
5-10%	8	10	10	12.5
10-15%	19	23.75	28	35
15-20%	36	45	24	30
20-25%	16	20	12	15
More than 25 %	1	1.25	6	7.5
Total	80	100	80	100
Income Sources before and after joining MGNREGS				
Particulars	Tarn Taran		Amritsar	
	Income sources before MGNREGS (%)	Income sources after and including MGNREGS (%)	Income sources before MGNREGS (%)	Income sources after and including MGNREGS (%)
Labour (full-time & part-time)	80 (100)	80 (100)	62 (77.5)	74 (92.5)
Private Job	0	0	7 (8.75)	2 (2.5)
Self-employment	0	0	11 (13.75)	4 (5)
Total	80 (100)	80 (100)	80 (100)	80 (100)
Level of Income before and after joining MGNREGS (Per month)				
Up to 3000	0	0	0	0
3001-4000	7 (8.8)	0	5 (6.3)	0
4001-5000	45 (56.25)	2 (2.5)	58 (72.5)	0
5001-6000	27 (33.75)	11 (13.8)	17 (21.25)	7 (8.8)
6001-7000	1 (1.3)	39 (48.8)	0	53 (66.25)
7001-8000	0	26 (32.6)	0	20 (25)
8000 and above	0	2 (2.5)	0	0
Total	80 (100)	80 (100)	80	100

Source: Field Survey (% figures in parentheses)

Figure 1: Income level before and after joining MGNREGS (Tarn Taran)

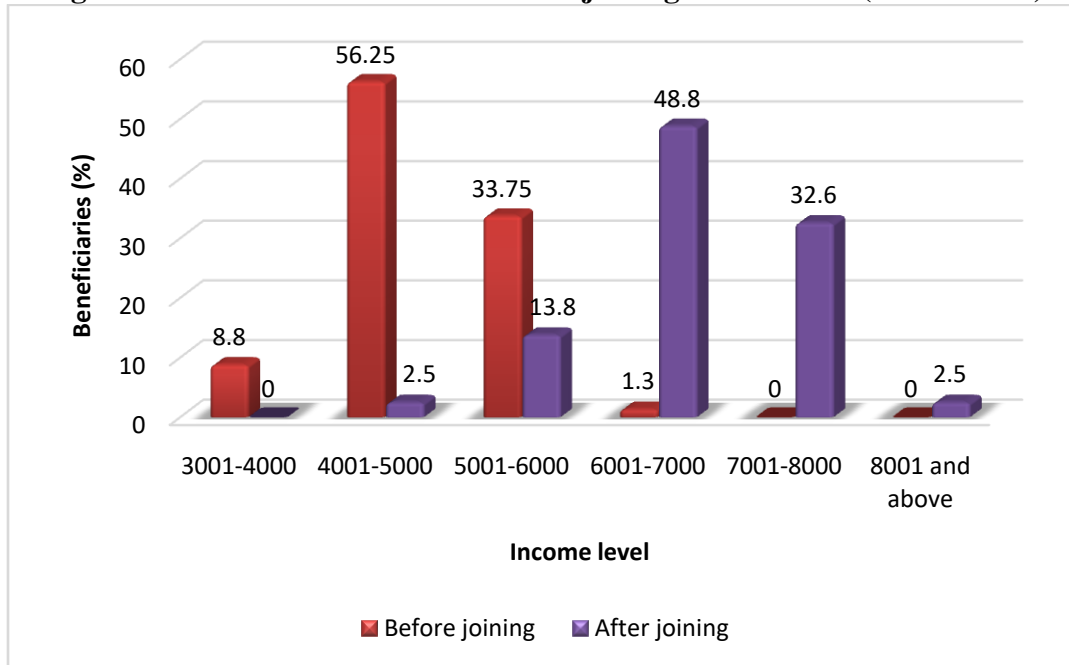
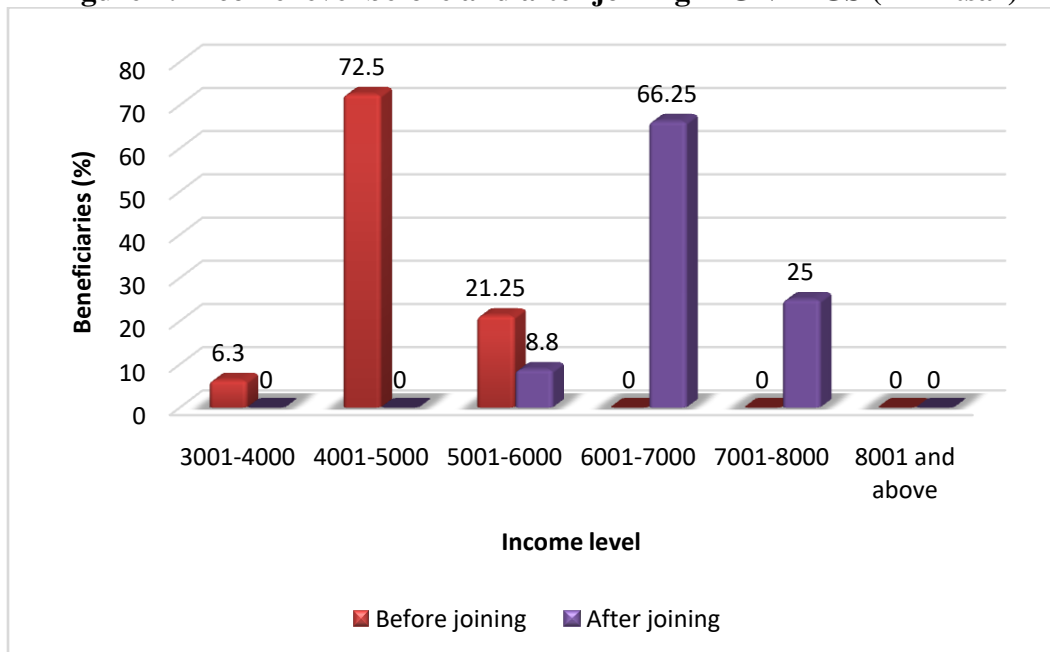


Figure 2: Income level before and after joining MGNREGS (Amritsar)



It is found that in both the districts, the level of income of beneficiaries has increased significantly in the post membership period due to the increased employment opportunities and also due to stability and increase in wages in the labour market. In order to assess the significance of impact of MGNREGS on households' income, the technique of paired samples t-test has been applied. As per table 2, in the Tarn Taran district, the mean monthly income of respondents was Rs. 5027.50 before joining MGNREGS which increased up to Rs. 6950.00 after

joining the scheme. There is an increase of 38.25 percent in average monthly income which has been statistically found to be significant. Similarly in case of Amritsar district, the mean monthly income of respondents was Rs. 4931.25 before joining MGNREGS which increased up to Rs. 6926.25 after joining the scheme. There is an increase of 40.46 percent in average monthly income which has also been statistically found to be significant. The study also observed that this increase is due to direct income gain and also due to indirect income gain as this scheme has raised the demand for labour thereby giving a positive path to raise their minimum agriculture wage rate. Hence the null hypothesis that MGNREGS has no significant impact on beneficiary households' income is rejected.

TABLE 2: IMPACT OF MGNREGS ON BENEFICIARY HOUSEHOLDS' MONTHLY INCOME (MAJHA REGION)

Majha Sample Districts	Mean Monthly income before joining MGNREGS	Mean Monthly income after joining MGNREGS	Increase in mean monthly income	Percentage increase (%)	t-value of Paired sample test	Sig. (2-tailed)
Tarn Taran	5027.50	6950.00	1922.50	38.24	26.24	.000**
Amritsar	4931.25	6926.25	1995.00	40.46	35.07	.000**

Source: computed by authors

**** Significant at one percent level**

MALWA SAMPLE DISTRICTS

Malwa sample districts comprises of Ludhiana and Moga districts. Table 3, figure 3 and figure 4 give information about share of MGNREGS income in total income, change in income source and level of family income before and after joining MGNREGS in Ludhiana and Moga districts of Malwa region. In case of Ludhiana, majority of respondents (77.5 percent) have up to 25 percent MGNREGS share in total income. Twenty three percent respondents have acknowledged that MGNREGS income share is more than 25 percent. Similarly in case of Moga, majority of respondents (97.5 percent) have only up to 25 percent share of MGNREGS income in their total income. Few 2.5 percent respondents have more than 25 percent share. Thus, this scheme is basically supplementary source of employment. Beneficiaries work in agriculture and industrial activities besides MGNREGS.

The respondents were asked about the change in sources of family income after joining MGNREGS. In case of Ludhiana, before joining MGNREGS 66 respondents were doing labour works and others were engaged in private job or self-employment. After joining MGNREGS, three respondents were shifted from private job and self-employment activities and joined manual labour works. According to them, there is more income and stability under the scheme. In case of Moga, before joining MGNREGS out of total sample of 80, 64 respondents were doing labour works. Rest of the respondents was doing private job or self-employment activities. After joining MGNREGS, no major shift in income sources of respondents has been observed. But the beneficiaries regard MGNREGS work as an important income source.

This section of study compares the income level of Malwa sample beneficiaries before and after joining MGNREGS. In case of Ludhiana, before joining MGNREGS majority of respondents (85 percent) had income level in the range Rs. 4001 to 6000 per month and 15 percent of them had income level in the range Rs. 3001 to 4000 per month. However, after joining MGNREGS, majority of respondents (92.5 percent) have income level in the range Rs. 6001 to 8000 per

month. In case of Moga, before joining MGNREGS majority of respondents (85 percent) had income level in the range of Rs. 4001 to 5000 per month. While 10 percent of them had income level in the range Rs. 3001 to 4000 per month, only 5 percent had income level in the range Rs. 5001 to 6000 per month. However, after joining MGNREGS majority of beneficiaries (97.5 percent) have shifted to higher income level of Rs. 6001 to 8000 per month. This shows a huge increase in respondents' income after joining scheme. The MGNREGS income provides relief from under-employment and seasonal unemployment prevailing in agriculture dominating land.

TABLE 3: INCOME IMPACT IN MALWA SAMPLE DISTRICTS

Number of Beneficiaries				
Particulars	Ludhiana		Moga	
	Frequency	Percent	Frequency	Percent
Share of MGNREGS Income in Total				
0-5%	0	0	0	0
5-10%	1	1.25	0	0
10-15%	17	21.25	38	47.5
15-20%	22	27.5	24	30
20-25%	22	27.5	16	20
More than 25%	18	22.5	2	2.5
Total	80	100	80	100
Income Sources before and after joining MGNREGS				
Particulars	Ludhiana		Moga	
	Income sources before MGNREGS (%)	Income sources after MGNREGS (%)	Income sources before MGNREGS (%)	Income sources after MGNREGS (%)
Labour (full-time & part-time)	66 (82.5)	69 (86.25)	64 (80)	64 (80)
Private job	7 (8.75)	6 (7.5)	7 (8.75)	6 (7.5)
Self-employment	7 (8.75)	5 (6.25)	9 (11.25)	10 (12.5)
Total	80 (100)	80 (100)	80 (100)	80 (100)
Level of income before and after joining MGNREGS (per month)				
Up to 3000	0	0	0	0
3001-4000	12 (15)	0	8 (10)	0
4001-5000	57 (71.2)	0	68 (85)	0
5001-6000	11 (13.8)	6 (7.6)	4 (5)	2 (2.5)
6001-7000	0	66 (82.5)	0	65 (81.2)
7001-8000	0	8 (10)	0	13 (16.3)
Total	80 (100)	80 (100)	80	100

Source: Field Survey (% figures in parentheses)

Figure 3: Income level before and after joining MGNREGS (Ludhiana)

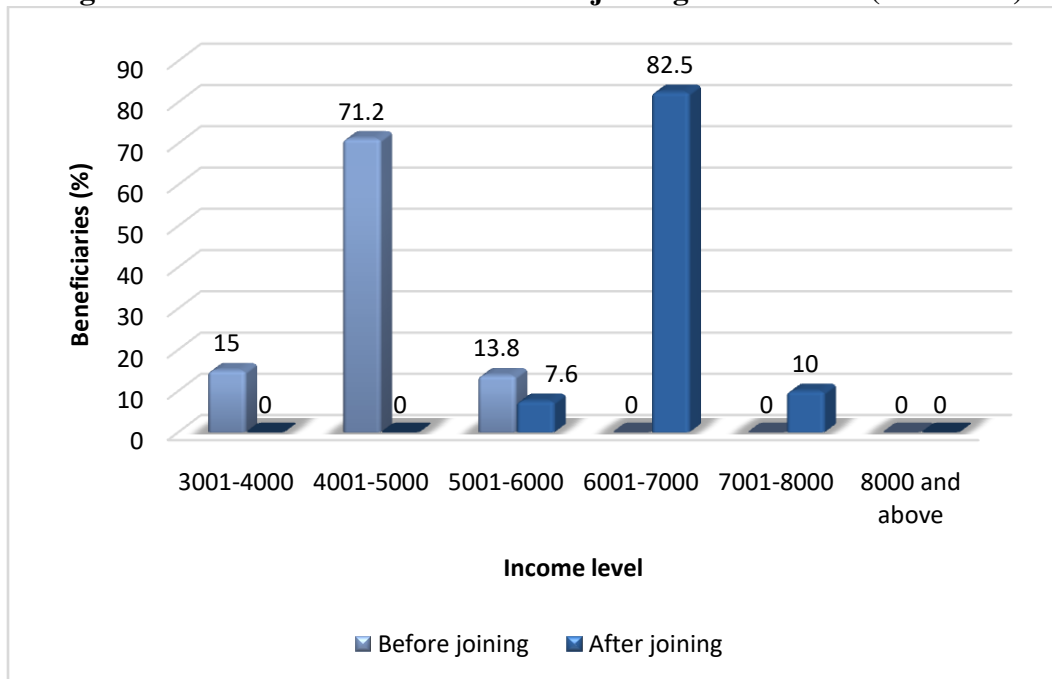
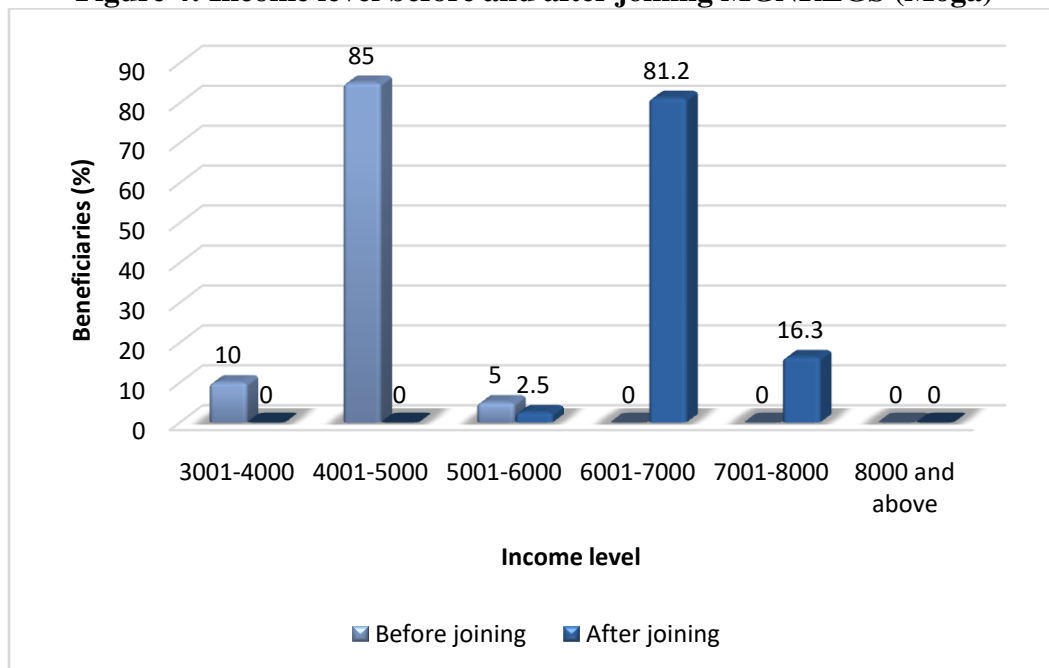


Figure 4: Income level before and after joining MGNREGS (Moga)



The table 4 shows the results of paired samples t-test applied on Malwa sample districts. In the Ludhiana district, the mean monthly income of respondents was Rs. 4752.50 before joining MGNREGS which increased up to Rs. 6770.00 after joining the scheme. There is an increase of 42.45 percent in average monthly income which has been statistically found to be significant. Similarly in case of Moga district, the mean monthly income of respondents was Rs. 4670.00 before joining MGNREGS which increased up to Rs. 6840.00 after joining the scheme. There is

an increase of 46.47 percent in average monthly income which has also been statistically found to be significant. It is found that in both the districts, the level of income of beneficiaries has significantly increased in the post membership period due to the increased employment through MGNREGS. The study observed that workers’ minimum wage level has also increased after joining scheme. Hence the null hypothesis that MGNREGS has no significant impact on beneficiary households’ income is rejected.

TABLE 4: IMPACT OF MGNREGS ON BENEFICIARY HOUSEHOLDS’ MONTHLY INCOME (MALWA REGION)

Majha Sample Districts	Mean monthly income before joining MGNREGS	Mean monthly income after joining MGNREGS	Increase in mean monthly income	Percentage increase (%)	t-value of Paired sample test	Sig. (2-tailed)
Ludhiana	4752.50	6770.00	2017.50	42.45	39.59	.000**
Moga	4670.00	6840.00	2170.00	46.47	52.82	.000**

Source: computed by authors

**** Significant at one percent level**

DOABA SAMPLE DISTRICTS

Kapurthala and Hoshiarpur districts have been selected from Doaba region. Table 5 shows that in case of Kapurthala, majority of respondents (66.25 percent) have up to 25 percent share of MGNREGS income in their total income. About thirty four percent respondents have above 25 percent share. In case of Hoshiarpur, majority of respondents (83.75 percent) have up to 25 percent share of MGNREGS income in their total income. Only 16.25 percent respondents have more than 25 percent share. The discussion with beneficiaries revealed that they supplement their family income through MGNREGS employment. The increased employment under scheme has enhanced their income level and thus improved their living style.

Regarding the change in sources of family income after joining MGNREGS, all the Doaba sample beneficiaries reported that they are employed in similar kind of activities. Seventy four percent respondents in case of Kapurthala have been doing labour works. While 7.5 percent beneficiaries are employed in private jobs, 18 percent are engaged in self-employment activities. In case of Hoshiarpur, majority of respondents (85 percent) are doing manual labour works and rest are employed in private job or self-employment works. Thus, beneficiaries are not entirely dependent upon MGNREGS work but they perform a variety of activities to fill the unemployment gap and meet growing demands of their families.

Due to MGNREGS joining, majority of workers in Doaba sample districts have shifted to higher income levels. Table 5 and figures 5 and 6 show that in case of Kapurthala, before joining MGNREGS majority of respondents (96.2 percent) had income level in the range Rs. 3001-5000 per month. After joining scheme, majority of respondents (91.3 percent) have shifted to higher income level of Rs. 5001-7000 per month. Few 8.8 percent respondents have shifted to Rs. 7001-8000 category also. Similarly in case of Hoshiarpur, before joining MGNREGS majority of respondents (98.8 percent) had income level in the range of Rs. 3001-5000 per month. After joining scheme, majority of respondents in Hoshiarpur have shifted to higher income levels of Rs. 5001-7000 per month. Few respondents (7.6 percent) have improved their income up to Rs.

8000 per month also. Thus, MGNREGS has increased beneficiaries' income level and standard of living through generating additional employment avenues. MGNREGS employment is a great source of subsidiary income for resource poor people of rural areas. Beneficiaries are not entirely dependent upon MGNREGS income but participate in other activities also to supplement their family budget.

TABLE 5: INCOME IMPACT IN DOABA SAMPLE DISTRICTS

Number of Beneficiaries				
Particulars	Kapurthala		Hoshiarpur	
	Frequency	Percent	Frequency	Percent
Share of MGNREGS Income in Total				
0-5%	0	0	0	0
5-10%	0	0	0	0
10-15%	1	1.25	22	27.5
15-20%	12	15	24	30
20-25%	40	50	21	26.25
More than 25 %	27	33.75	13	16.25
Total	80	100	80	100
Income Sources before and after joining MGNREGS				
Particulars	Kapurthala		Hoshiarpur	
	Income sources before MGNREGS (%)	Income sources after MGNREGS (%)	Income sources before MGNREGS (%)	Income sources after MGNREGS (%)
Labour (full-time)	59 (73.8)	59 (73.75)	68 (85)	68 (85)
Private job	6 (7.5)	6 (7.5)	3 (3.8)	3 (3.8)
Self-employment	15 (18.8)	15 (18.8)	9 (11.3)	9 (11.3)
Total	80 (100)	80 (100)	80 (100)	80 (100)
Level of income before and after joining MGNREGS (Per month)				
Up to 3000	0	0	0	0
3001-4000	10 (12.5)	0	14 (17.5)	0
4001-5000	67 (83.75)	0	65 (81.25)	0
5001-6000	3 (3.8)	9 (11.3)	1 (1.3)	5 (6.3)
6001-7000	0	64 (80)	0	69 (86.25)
7001-8000	0	7 (8.8)	0	6 (7.6)
8000 and above	0	0	0	0
Total	80 (100)	80 (100)	80 (100)	80 (100)

Source: Field Survey (% figures in parentheses)

Figure5: Income level before and after joining MGNREGS (Kapurthala)

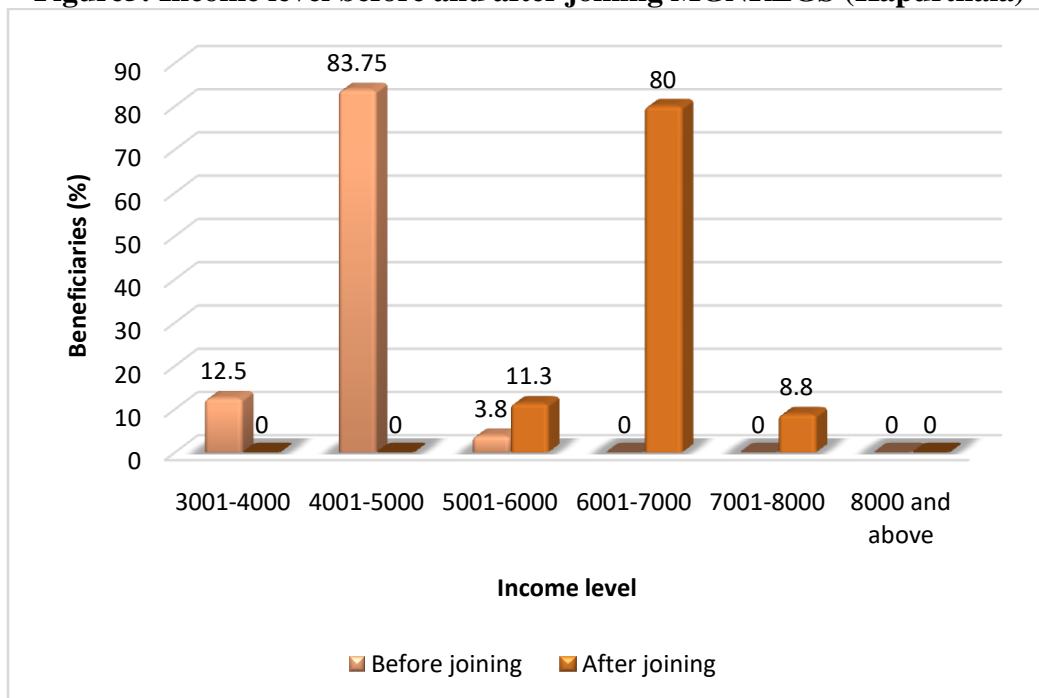


Figure6: Income level before and after joining MGNREGS (Hoshiarpur)

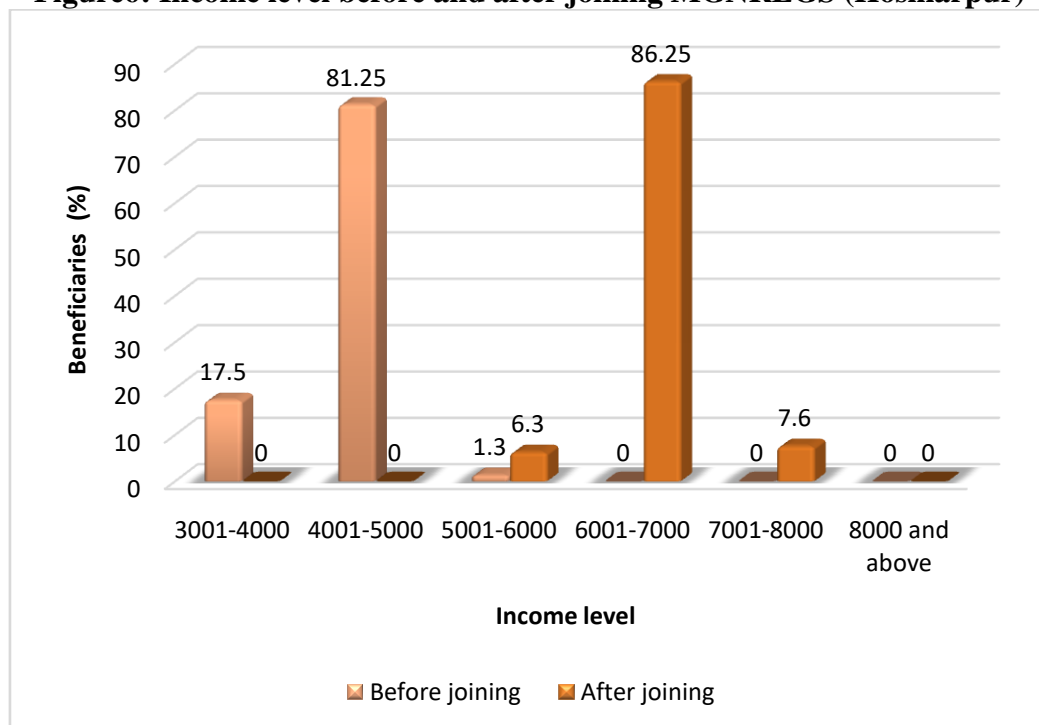


Table 6 shows the results of paired samples t-test applied on Doaba sample districts. In the Kapurthala district, the mean monthly income of respondents was Rs. 4607.50 before joining MGNREGS which increased up to Rs. 6663.75 after joining the scheme. There is an increase of

44.63 percent in average monthly income which has been statistically found to be significant. Similarly in case of Hoshiarpur district, the mean monthly income of respondents was Rs. 4522.50 before joining MGNREGS which increased up to Rs. 6703.75 after joining the scheme. There is an increase of 48.23 percent in average monthly income which has also been statistically found to be significant. It is found that in both the districts, the level of income of beneficiaries has increased after joining MGNREGS due to the increased employment through scheme and indirect increase in minimum wage level. Hence the null hypothesis that MGNREGS has no significant impact on beneficiary households' income is rejected.

TABLE 6: IMPACT OF MGNREGS ON BENEFICIARY HOUSEHOLDS' MONTHLY INCOME (DOABA REGION)

Majha Sample Districts	Mean monthly income before joining MGNREGS	Mean monthly income after joining MGNREGS	Increase in mean monthly income	Percentage increase (%)	t-value of Paired sample test	Sig. (2-tailed)
Kapurthala	4607.50	6663.75	2056.25	44.63	57.38	.000**
Hoshiarpur	4522.50	6703.75	2181.25	48.23	58.52	.000**

Source: computed by authors

** Significant at one percent level

CONCLUSION

The study has found significant impact of MGNREGS on income pattern of beneficiaries' households. Majority of sample beneficiaries have shifted to higher income level after joining MGNREGS. In all the sample districts i.e., Tarn Taran, Amritsar, Ludhiana, Moga, Kapurthala and Hoshiarpur, the level of income of beneficiaries has significantly increased in the post-membership period of MGNREGS due to the increased employment. The study also observed that this increase is due to direct income gain and also due to indirect income gain as this scheme has increased their Minimum Agriculture Wage Rate (MAWR). Another study by Rengasamy and Kumar (2011) supported these results in which it is made clear that MGNREGS has improved the regular wages of workers through the pressure of MGNREGS wage rate. Gnyaneshwar (2016) study found positive impact of MGNREGS on women income and consumption pattern. Increased income has raised their contribution in household activities and decision-making procedures. Barman and Debnath (2020) study found significant increase in household income, expenditure, education and other household facilities. The study has also found significant improvement in the source of drinking water, toilet facility usage and lighting.

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