

Fact Finding Investigating the Stoppage of MGNREGA Work and Wages in West Bengal

Background

From **25.07.2022** to **27.07.2022**, a fact-finding team consisting of members from CSOs, unions and organisations working on MGNREGA from all over the country, visited West Bengal to report on the stoppage of work and wages under MGNREGA in the state. Prior to the West Bengal visit, some of the team members met the senior officials from MORD to understand their point of view on the issue. Three teams visited three different districts – Purulia, South 24 Paraganas and Nadia. We interacted extensively with MGNREGA workers and government officials in order to get a full picture of the ongoing crisis caused by the stoppage of work and wages.

The objective of the fact-finding is to understand the impact of stoppage of both MGNREGA wages and works on the workers. We tried to document how workers' livelihoods are getting impacted, how they are coping with the income loss etc.. Based on the observations from the fact-finding visits, we have listed some demands that have to be fulfilled so that workers no longer have to bear the brunt of the complications between the Central Government and the State government.

No Work Or Wages

A majority of the workers we met complained that despite their willingness to work no work has been provided in FY 2022-23 under MGNREGA. Even those who received work have gotten only 6-12 days of work. The workers have not been paid for the work they have done since 26th December, 2021. On average workers are owed Rs. 3,000-8,000. Most workers do not know why they have not been given work or wages in the past seven months. In the worst cases, workers had not been paid for more than a year.

In Krishnanagar 2 block of Nadia district, 400 workers who had worked under NREGA during the 2nd COVID-19 lockdown and had not been paid their wages for that even after 1.5 years. Villagers in Krishnanagar 2 block of Nadia district also stated that they still had not received job cards for which they had applied almost a year ago.

Impact on food security and debt

Many workers, especially single women, reported that non-payment of wages have impacted food security. They often have to skip meals due to lack of resources. Workers have stated that they have had to take loans from private lenders or micro-finance institutions that lend at high interest rates to deal with the current crisis situation.

Tribal women from Santipur block of Nadia district stated that they had to wake up at 3 AM each morning, walk for 5 kms, and then travel by train for two hours to work as agricultural labourers in another block in the absence of NREGA. Even this work was seasonal. The lack of NREGA work and non-payment of wages drastically affected food security also. The women

cooked only one meal a day after returning from work. With the leftover rice, they made 'pantabhat', or boiled rice soaked in water. This became their meal for the next day.

In the Pancha block of Purulia, one of the poorest districts of West Bengal is Kultarn village of Sabar tribe. They are a Particularly Vulnerable Tribal Group. Most of the houses in the village were constructed by contractors under Awas Yojana. None of the members of the community had got any work in the current financial year and were told by the Pradhan that there will be no work this year. One family with 5 kids and 2 adults told us that they take a monthly advance of 1500-2000 rupees from landowners and work odd jobs until the amount has been repaid. Only 1 kid receives a mid-day meal and the rest survives on 'pantabhat'.

These women were not paid wages for the work they had done in November 2021. Non-payment of NREGA wages had forced these women also to take loans from microfinance institutions. They were charged high rates of interest (15% - 20%) and had to face predatory recovery agents.

Impact on employment and migration

Absence of MGNREGA work, has also led to increased migration. In some villages, men and women in more than half of the households have migrated for work, even ones who didn't migrate earlier. Most of the workers we spoke to in Nadia district stated that migration had increased because NREGA was not operational. In one particular village, 80% of the adult male population had migrated out of the state in search of work. Non-availability of MGNREGA works has resulted in workers resorting to foraging, even at personal risk, and taking up employment at rates lower than the MGNREGA wage rate.

One single woman that we met in Sundarbans stated that she can afford to eat on alternate days only due to shortage of money. She is illiterate with no land or cattle to support her. She risks her safety to fetch honey from the forest despite the fear of getting attacked by tigers. She has also taken a loan from a Self Help Group. The non-payment of NREGA wages has forced her to take loans from private money lenders at rates as high as 36% - 48% per annum.

Non-availability of MGNREGA work has also resulted in increased unemployment in villages especially among women workers who cannot migrate for work. These difficulties are compounded in the case of single women or widows. In the agricultural off-season, NREGA becomes the only source of work for a large section of the rural poor in West Bengal. Workers in all three districts we visited repeatedly stressed that they were willing to do NREGA work if they were given work and wages on time.

Effect on the Village Economy and Environment

Works that had already begun when MGNREGA work was stopped have come to a halt. This has led to their dilapidation. Public works like maintenance of canals and ponds are crucial in West Bengal. Most of these works were carried out under NREGA. Once NREGA work was stopped, such crucial infrastructure started to fall into disuse and decay. The stoppage of works

that are important for the village economy and the livelihoods of workers has caused immense losses.

Many people living close to the ocean expressed that due to the stoppage of embankment works the saline water from the ocean is entering the farms and spoiling the crops. In addition, the non-commencement of irrigation channels that are crucial to the water intensive paddy crops has caused even more losses to the livelihoods of the people living in the rural areas. The Block Development Officer from Kultuli block in south 24 Paraghanas expressed that they have opened up the irrigation channels works, despite orders from the top officials to discontinue all NREGA works, as these are crucial to the livelihoods of the people. However, there is uncertainty regarding whether they will get paid.



Image 1: An unfinished pond in Barabazaar block of Purulia district. Those who worked at the site refused to work anymore as their wages remain unpaid

Block Development officer of Pancha Block said that work is available but workers cannot be convinced to work due to pending wages and expressed apprehension that the situation can accelerate to a law-and-order issue.

The District Panchayat & Rural Development Officer of Purulia highlighted that the average number of workers in the district in July 2021 was around 80-90,000 which has now dropped to 5-6,000. This issue has also impacted the creation of infrastructure to deal with water scarcity in Purulia. The administration is unable to carry out water restoration projects or to plant saplings. The district had a target of planting 20 lakhs saplings this year and is now trying to meet the target of 1.5 lakhs.



Image 2: Half-dug pond at Tumrasole village of Purulia District

Stands of the Ministry of Rural Development and the West Bengal State Government

Some members of the fact-finding team had meetings with the NREGA Director, Dharamvir Jha on 24th June, 2022 and the Secretary of the MoRD, N.N. Sinha on 27th June, 2022. The responses of both the officials in both the meetings were similar. On the stoppage of work and wages in West Bengal, they stated that the release of funds and the sanctioning of the labour budget has been withheld by the centre because of irregularities and corruption within the state in the implementation of NREGA. They added that the MoRD has sent repeated letters to the state government for the past three years asking that action be taken on the issues that have been flagged. The decision to stop funds and work was taken only after progress by the state government in addressing these issues was still insufficient.

When asked why workers, despite no fault of theirs, had to bear the brunt and be denied their wages for work they have already done, the Secretary responded that the onus for the wage stoppage was with the state government and that they could release the wages from their own wages and reimburse it from the Centre when funds were released again. The MoRD has two main allegations against the West Bengal government, continuous irregularities and rampant corruption. Both the allegations are directed at government officials and politicians. Workers are in no way responsible for these. The stoppage of work and wages is both unconstitutional and illegal, and punishes only workers in place of the accused. The Secretary had no proper response when he was asked that the Centre should identify those responsible for the crimes and punish them individually instead of collectively punishing all workers. He again stressed that unless the state starts following the guidelines and addressing the irregularities, no funds would be sanctioned or released.

In a letter to the Prime Minister dated August 5th, 2022, the Chief Minister of West Bengal has stated that the state has been a forerunner in executing centrally funded schemes. She adds that, *“The State is abiding by all the provisions of rural employment act and taking suitable deterrent action as per the*

advisories issued by the Ministry.” The West Bengal government also received the national award for livelihoods promotion and convergence under NREGA for FY 2021-22. The state government has maintained that the release of funds and resumption of work and wage payments now rests with the MoRD as they have followed all instructions and advisories issued to them with regard to combating the flagged irregularities and corruption.

Meeting with the NREGA West Bengal Commissioner

When we met with the NREGA Commissioner for West Bengal, he agreed that most of the issues flagged by the fact finding team were legitimate. He also agreed that no work or payment of wages under NREGA had taken place in FY 2022-23 in the state. When asked why NREGA work and wages were stopped in West Bengal, the first reply of the Commissioner was that the Ministry of Rural Development had made accusations of irregularities and corruption in the implementation of NREGA in the state. He stated that a series of correspondence had taken place between the MoRD and state government, since 2019, regarding this issue. While the state government does not fully agree with the MoRDs accusations, they also claim to have taken some action, including social audits and public hearings, based on the complaints and recommendations by the latter. The Commissioner added that while the state government was trying to give work to workers under state schemes they can never match the scale of NREGA.

On the role of social audit units and their importance in combating irregularities, the Commissioner replied that the NREGA social audit unit of the state was fully functional. However, the Director of the Social Audit of West Bengal stated that the unit had not received any funding after FY 2019-20, and was functioning with great limitations. Only Rs.3 lakh was recovered from all the social audits done in FY 2021-22. No money was recovered in 10 of the 21 districts of the states. Meanwhile, the MoRD insists on the recovery of Rs. 2.39 crores of misappropriated funds since 2017.

Based on the findings we put forth the following recommendations:

- 1. All the documents pertaining to correspondence between the Central Government and the State Government on MGNREGA since 2019, including the reports of central team visits and action taken, should be made public.**
- 2. The Labour Budget for West Bengal for the FY 2022-23 has to be approved immediately by the central government, so that MGNREGA works can resume without any further delay.**
- 3. The pending wages to the tune of Rs. 2,600 crores for all MGNREGA workers need to be released immediately along with the delay compensation at the rate of 0.05% per day for the entire duration of the delay as per Para 29 of Schedule II of the MGNREG Act.**
- 4. All active job card holders should be paid unemployment allowance from 1st April 2022 till the date the works resume, as per Section 7(1) of the MGNREG Act, irrespective of whether the workers have demanded work. The workers have suffered due to stoppage of works, and should be compensated for the same.**

5. Ongoing and previously sanctioned works should be started immediately so that employment can be provided. In FY 2021-22, workers had earned wages of around Rs. 2,700 crore in the first four months. In addition, certain works like embankments and irrigation channels are critical to the livelihoods and environment.
6. The social audit unit should be made independent from bureaucratic and political interference. It needs to be strengthened to encourage citizen oversight, to enable them to highlight anomalies and irregularities in the implementation of MGNREGA to ensure that such issues do not crop up in the future.
7. Along with periodic social audits concurrent audits should be conducted, given the seriousness and scale of corruption allegations.
8. The State Government should ensure strict action against the perpetrators and the recovery of funds in all cases where corruption has already been identified and established.
9. The State Government should create a separate revolving fund, of at least Rs. 3,500 crores, for MGNREGA to ensure timely payment of wages, in the event of future delays or complications in receiving money from the Central Government.

We are extremely disappointed in how MGNREGA has been used as a battleground for the political tussle between the Central and State governments without caring about violation of Right to life of more than 3.4 crore registered workers across the state. Denial of work and wages is in contravention to the Supreme Court's judgement in 'Swaraj Abhiyan vs Union of India' (Writ petition 857/2015) case. We appeal to the political parties, media, CSOs and the people of West Bengal to come together and pressurise the Central and State Governments to ensure that MGNREGA is implemented to the full extent of the spirit of the Act and the rights of workers are upheld.

Fact Sheet:

S. No.	Indicator	FY 2021-22	FY 2022-23	% drop
1	Number of Households Registered	1.58 crore		

2	Number of Workers Registered	3.42 crore		
3	Number of Households Received Work	0.76 crore	0.16 crore	79
4	Number of Workers Received Work	1.11 crore	0.20 crore	82
5	Persondays of Work Generated	36.42 crore	3.66 crore	90
6	Persondays of Work Provided to Women	17 crore	1.76 crore	90
		47% of Total Persondays of Work	48% of Total Persondays of Work	
7	Number of Women Provided Work	51.09 lakh	9.71 lakh	81
8	Persondays of Work Provided to SCs	9.26 crore	0.77 crore	92
		25% of Total Persondays of Work	21% of Total Persondays of Work	
9	Persondays of Work Provided to STs	2.88 crore	0.27 crore	91
		8% of Total Persondays of Work	8% of Total Persondays of Work	
10	Persondays of Work Generated in the First Six Months of the Financial Year	21.70 crore	3.63 crore	83
11	Wages Earned by Workers in the First Six Months of the Year	Rs. 4326 crore	Rs. 776 crore	82
12	Pending Wages to Paid to Workers	Rs. 1867 crore	Rs. 784 crore	-

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