

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

RAJYA SABHA
UNSTARRED QUESTION NO. 3954
TO BE ANSWERED ON 02.04.2018

WAGE CALCULATION METHODOLOGY UNDER MGNREGA

3954. SHRI HARIVANSH:

Will the Minister of **RURAL DEVELOPMENT** be pleased to state:

- (a) whether the Ministry has any plan to persuade the Ministry of Finance to change the wage calculation methodology for schemes under MGNREGA by using Consumer Price Index-Rural instead of Rural Price Index-Agriculture Labour;
- (b) whether it is a fact that earlier a high-level committee was also constituted to study this issue; and
- (c) if so, the main recommendations of this Committee particularly with reference to change in wage calculation methodology for employment under MGNREGA scheme?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI RAM KRIPAL YADAV)

(a): The Ministry of Rural Development has proposed to change the method of indexing Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) wages to Consumer Price Index-Rural instead of the existing Consumer Price Index-Agricultural Labour (CPI-AL).

(b)&(c): A Committee under the chairpersonship of Additional Secretary, Ministry of Rural Development was constituted to study among other things the appropriate index for revising MGNREGA wages. The Committee recommended using Consumer Price Index-Rural instead of the existing CPI-AL for revising MGNREGA Wages every year. The Committee also recommended use of annual average instead of the existing practice of using December month index only.
