

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

RAJYA SABHA
UNSTARRED QUESTION NO. 3322
TO BE ANSWERED ON 28/03/2025

REVISION OF WAGE RATES UNDER MGNREGS

3322 SHRI P. WILSON:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether Government has considered revision of wage rates under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) considering outdated base year and base rates are still being used and Standing Committee has recommended complete overhaul of present wage structure, if so, the details thereof;
- (b) whether Government is aware of concerns raised regarding mandatory implementation of the Aadhaar-based Payment Bridge System (APBS) for wage disbursements, particularly risks associated with technological glitches and inadequate infrastructure; and
- (c) if so, the steps being taken to address these concerns and ensure that workers do not face disruptions in wage payments?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI KAMLESH PASWAN)

(a): Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) is a demand-driven wage employment Scheme. It provides a fall back option for livelihood security for rural households when no better employment opportunity is available.

As per Section 6 (1) of the Mahatma Gandhi National Rural Employment Guarantee Act (Mahatma Gandhi NREGA), 2005, the Central Government may by notification, specify the wage rate for its beneficiaries. Further, section 6 (2) of the Act, provides that until such time a wage rate is fixed by the Central Government in respect of any area in a State, the minimum wage fixed by the State Government under section 3 of the Minimum wages Act, 1948 for Agricultural Laborers shall be considered as the wage rate applicable to that area. Accordingly, as per provision of Section 6(2) of the Act, from the inception of the scheme till the financial year 2010-11, the wage rate in Mahatma Gandhi NREGA was determined based on the minimum wage set by the respective State Governments. However, from the financial year 2011-12, the Government of India started determining the wage rates using the Consumer Price Index for agricultural labour (CPI-AL).

To compensate the Mahatma Gandhi NREGA workers against inflation, the Ministry of Rural Development revises the wage rate every financial year, based on changes in Consumer Price Index for Agricultural Labour (CPI-AL). The index is different for different States/UTs as notified by Labour Bureau Shimla. If the calculated wage rate of any State/UT is coming lower than the wage rate of previous year, it is being protected by maintaining the previous year's wage rate. The wage rate is made applicable from 1st April of each financial year. The average % increase in wage rate for FY 2024-25 from the FY 2023-24 is about 7 %.

However, the State can provide wages over and above the wage rate notified by the Central Government from their own resources.

(b)&(c): To ensure timely payment of wages to the beneficiaries under Mahatma Gandhi NREGS and to address the issues arising due to frequent changes in bank account numbers of the beneficiaries and subsequent non-updation, it was decided to implement the Aadhar Payment Bridge System (APBS). This has been made mandatory with effect from 1st January 2024. Payment of wages through Direct Benefit Transfer (DBT) mode has had positive impact on the livelihood of the beneficiaries as it ensures that the payment reaches directly into the accounts of the intended beneficiaries. Currently, against a total of 13.59 crore active workers Aadhaar seeding of 99.50% has already been completed. State/UTs are continuously being monitored by the Central Government for achieving 100% Aadhaar Seeding and APBS conversion in NREGASoft. As and when any issue is flagged by the State/UT or any other stakeholders, the same is resolved on a priority basis.

The Scheme is implemented on an end-to-end integrated transaction-based MIS platform called NREGASoft through which all aspects relating to planning, administrative and technical approval of the scheme, issue of job cards, acceptance of demand, issue of muster roll, measurement, approval of payment and finally payment to the beneficiary through a DBT-PFMS platform are monitored.

Transparency and accountability is the prime focus of the scheme. Ministry of Rural Development has adopted a robust process for ensuring transparency and accountability in the implementation of the scheme across the States/UTs. A brief note of the various monitoring and evaluation arrangements made to ensure the workers do not face disruptions in wage payments under the Scheme are given in **Annexure**.

Annexure referred to in reply to parts (b)&(c) of Rajya Sabha Unstarred Question No. 3322 dated 28.03.2025

- i. **Direct Benefit Transfer (DBT):** The Direct Benefit Transfer (DBT) system in wage payment has been adopted under the Mahatma Gandhi National Rural Employment Scheme (Mahatma Gandhi NREGS). The payment of wages to the bank/ post office accounts of Mahatma Gandhi NREGS workers is through the National Electronic Fund Management System (NeFMS)/Electronic Fund Management System (eFMS).
- ii. **National Mobile Monitoring Service (NMMS):** It enables capturing of attendance of workers at Mahatma Gandhi NREGA worksites (except for individual beneficiary works) along with geo-tagged photographs twice in a day. This app aids in increasing citizen oversight of the programme. This is one more step towards transparency and accountability.
- iii. **SECURE – Software for Estimate Calculation for using Rural Rates for Employment:-** Application is being used for estimate the calculation of works to be undertaken under the scheme.
- iv. **JANMANREGA app:** this app helps in proactive disclosure of information to its citizens in reference to the implementation of Mahatma Gandhi NREGS. Citizen awareness is a key to efficient, effective, and transparent execution of the scheme.
- v. **Ombudsperson App-** An Ombudsperson App has been developed for smooth reporting and categorization of grievances received from various sources viz. physical, digital and mass media related to the implementation of the Mahatma Gandhi NREGS, easy tracking and timely passing of awards on each case as per the guidelines and easy uploading of quarterly and annual report on the website.
