

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

LOK SABHA
UNSTARRED QUESTION NO. 836
TO BE ANSWERED ON 03.12.2015

DELAY IN PAYMENT OF WAGES

**836. SHRI MD. BADARUDDOZA KHAN:
SHRI R. PARTHIPAN:**

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

- (a) whether the Government has received representation regarding delay in payment of wages and compensation to the rural workers/labourers under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) during the last three years and the current year;
- (b) if so, the details thereof and action taken by the Government thereon, State/UT-wise;
- (c) whether the Government also proposes to establish National Employment Guarantee Fund to transfer the wages directly to the accounts of MGNREGS beneficiaries to avoid such delay of payments and compensation;
- (d) if so, the details thereof alongwith liability in wages to be paid to workers till date; and
- (e) the remedial steps taken/proposed to be taken by the Government to avoid such instances in future?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI SUDARSHAN BHAGAT)**

(a) & (b): There have been complaints of irregularities in implementation of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) viz. delay in payment of wages and compensation to MGNREGA workers from many States. As per the provisions of the Act, all complaints received in the Ministry are forwarded to the concerned state Governments for taking appropriate action including investigation, as per law. Detailed instructions by way of Standard Operating Procedure (SOP) for dealing with complaints have also been issued to all States/UTs.

(c) & (d): There is no proposal to establish National Employment Guarantee Fund to transfer the wages directly to the accounts of MGNREGS beneficiaries. In order to ensure timely payment wages, Rules have been issued for timely payment of wages under which, it was suggested that clear accountability shall be fixed on the functionaries for timely performance of specific duties leading to payment of wages. All cases of delayed payment attracts a compensation @ 0.05% per day of delay, which is automatically calculated and paid by the State Government. The Ministry has also initiated Electronic Fund Management System (e-FMS) which directly credits wages to the respective beneficiary accounts using the core banking system.

(e): To reduce the delay in payment of wages under MGNREGA, a system of payment of compensation for such delays was brought in Para 29 of Schedule II of the Act. The States/UTs have been advised to ensure compliance with this provision. The following steps are taken to check the delays in wage payment:

- (i) State Government has been advised to notify the 'Rules' and implement the system of compensation for delay in wage payment.
- (ii) State Government has been advised to review and discuss with the Programme Officers periodically the issues of delayed payments.
