GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
(DEPARTMENT OF RURAL DEVELOPMENT)

RAJYA SABHA
UNSTARRED QUESTION NO.3088
FOR ANSWER ON 30-08-2011
COMPARATIVE PERFORMANCE OF SGSY AND MGNREGS

3088: SHRI RAM JETHMALANI:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether it is a fact that Government is operating two schemes i.e. the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and Swarnajayanti Gram Swarozgar Yojana (SGSY) to generate new employment opportunities in rural areas of the country;

(b) if so, the details thereof;

(c) whether it is a fact that the SGSY is more effective than the MGNREGS because it lays more thrust on self-reliance;

(d) if so, the reactions of Government thereto; and

(e) the reasons for huge gap in the amount allocated for implementation of these schemes?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI PRADEEP JAIN ‘ADITYA’)

(a & b) : Yes, Sir. The Mahatma Gandhi National Rural Employment Guarantee Act, (NREGA) was notified on September 7, 2005. The objective of the Act is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. MGNREGA was launched on 02.02.2006 in 200 districts. 130 additional districts were added in 2007. All the remaining rural areas in the country were covered w.e.f. 01.04.2008.
SGSY is a major on-going holistic scheme to bring the rural Below Poverty Line (BPL) families (swarozgaris) above the poverty line by providing them income generating assets through a mix of bank credit and government subsidy. The scheme involves selection of key activities, planning of activity clusters, organization of the poor into Self Help Groups (SHGs) extending the financial assistance, mobilizing bank credit and imparting training on capacity building and skill development. Under the scheme focus is on the group approach, although individual Swarozgaris can also be assisted. In addition to the self-employment, SGSY also supports rural BPL youth for accessing skilled wage employment through placement linked skill development projects.

(c) & (d): The objectives of the two programmes are to generate employment opportunities. While MGNREGA essentially creates wage employment opportunities, SGSY is a holistic self-employment programme. Since the thrust of the two programmes are different, the effectiveness of the program is also different and hence not comparable.

(e): MGNREGA has a high central plan allocation vis-à-vis SGSY as the former is implemented within a right based and demand driven framework.