

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 1149
TO BE ANSWERED ON 26TH JULY, 2021**

URBAN UNEMPLOYMENT CRISIS

1149. SHRI ABHISHEK BANERJEE:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) the steps taken by the Ministry to mitigate the unemployment crisis as a part of the pandemic recovery process;**
- (b) whether the Ministry plans to lay down an urban employment scheme similar to MGNREGA in the rural areas to help solve the urban unemployment crisis; and**
- (c) if so, the details thereof?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SHRI RAMESWAR TELI)**

(a) to (c): Government of India has taken a number of initiatives for promoting employment generation in the country during corona pandemic. Financial package of more than rupees twenty seven lakh crore under “Aatma Nirbhar Bharat” has been provided inter-alia, to create employment opportunities for migrant workers, workers of organized and unorganized sector, and promoting rural economy. It includes number of initiatives for all these sectors.

Aatmanirbhar Bharat Rojgar Yojana (ABRY) has been launched w.e.f. 1st October, 2020 to incentivize employers for creation of new employment along with social security benefits and restoration of employment. This scheme being implemented through EPFO seeks to reduce the financial burden of the employers and encourages them to hire more workers. Under ABRY, Government of India is providing for a period of two years, both the employees’ share (12% of wages) and employers share’ (12% of wages) of contribution or only employees’ share of contribution depending on employment strength of the EPFO registered establishments, for new employees whose monthly wage is less than Rs. 15,000/- per month. The new employees under the scheme include those who lost their jobs during Covid-19 and didn’t join in any EPF covered establishment upto 30.09.2020.

Under Pradhan Mantri Garib Kalyan Yojana (PMGKY), Government of India has contributed both 12% employer’s share and 12% employee’s share under Employees Provident Fund (EPF), totaling 24% of the wage for the wage month from March to August, 2020 for the establishments having upto 100 employees with 90% of such employees earning less than Rs. 15000/-. This has helped in providing employment in EPFO registered establishments during post Covid period.

Statutory PF contribution of both employer and employee was reduced to 10% each from existing 12% each for all establishments covered by EPFO for three months i.e. May to July 2020.

PM- SVANidhi Scheme has facilitated collateral free working capital loan upto Rs.10,000/- for one-year tenure to street vendors, to help them resume their businesses.

RBI and Government of India have introduced measures to infuse liquidity in the economy to sustain the market economy and raise the level of employment.

Besides above, Government has taken various other steps for generating employment in the country like encouraging various projects involving substantial investment and through public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) and Deendayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM). Wage under MGNREGS has been increased from Rs. 182 per day to Rs. 202 per day.

Pradhan Mantri Mudra Yojana (PMMY) is being implemented by the Government inter alia, for facilitating self-employment. Under PMMY collateral free loans upto Rs. 10 lakh, are extended to micro/small business enterprises and to individuals to enable them to setup or expand their business activities.

Earlier Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) was launched to incentivise employers for creation of new employment. Under the scheme, Government of India is paying Employer's contribution i.e. 12% for a period of three years to the new employees earning upto Rs. 15,000/- through EPFO. The terminal date for registration of beneficiary through establishment was 31st March 2019. The beneficiaries registered upto 31st March, 2019 will continue to receive the benefit for 3 years from the date of registration under the scheme i.e. upto 31st March, 2022.

Besides these initiatives, flagship programmes of the Government such as Make in India, Digital India, Swachh Bharat Mission, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation, Housing for All, Infrastructure development and Industrial corridors have the potential to generate productive employment opportunities.

The Ministry of Housing and Urban Affairs is implementing a Centrally Sponsored Scheme namely "Deendayal Antyodaya Yojana – National Urban Livelihoods Mission (DAY-NULM)" across the country to reduce poverty and vulnerability of urban poor households on a sustainable basis. Mission, *inter-alia*, aims to enable urban poor to access gainful self-employment and skilled wage employment opportunities. Also, financial assistance is provided to individuals/ groups/ Self Help Groups (SHGs) of urban poor for setting up gainful self-employment ventures or micro-enterprises.
