

GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO.1911
TO BE ANSWERED ON 14TH MARCH, 2022

GDP GROWTH AND EMPLOYMENT

1911. SHRI KARTI P. CHIDAMBARAM:

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

- (a) whether the Government is cognizant of several studies that indicate that the co-relation between GDP growth and employment had significantly weakened, since 2018;**
- (b) whether the Government is taking any steps to grow employment on par with GDP;**
- (c) whether it is true that 15 million jobs were permanently lost during the first wave of the pandemic;**
- (d) whether the Government has estimated the number of jobs permanently lost in the second and third waves of the pandemic; and**
- (e) whether any measures were taken after the first wave to prevent permanent job losses in the country?**

ANSWER

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

(a) to (e): As per the Quarterly Periodic Labour Force Survey (PLFS) report for urban sector (available till March 2021) released by Ministry of Statistics & Programme Implementation (MOSPI), during the COVID-19 pandemic, the unemployment rate for urban sector rose to 20.8% and GDP also contracted to -23.8% (at constant prices) in the first quarter of 2020-21. With the revival of economy in the subsequent quarters of 2020-21, the unemployment rate showed a recovery to 9.3% along with GDP recovered to 1.6% (at constant prices) during the last quarter of 2020-21.

Further, as per quarterly PLFS report, the Worker Population Ratio (WPR) which went down to 36.4% during first quarter of 2020-21 also recovered to 43.1% during the last quarter of 2020-21.

Employment generation coupled with improving employability is the priority of the Government. Accordingly, the Government of India has taken various steps for generating employment in the country. The Government of India has announced Aatmanirbhar Bharat package to provide stimulus to business and to mitigate the adverse impact of Covid 19. Under this package, the Government is providing fiscal stimulus of more than Rs. Twenty Seven lakh crore. This package comprises of various long term schemes/ programmes/ policies for making the country self-reliant and to create employment opportunities.

Aatmanirbhar Bharat Rojgar Yojana (ABRY) has been launched with effect from 1st October, 2020 as part of Atmanirbhar Bharat package 3.0 to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during Covid-19 pandemic. This scheme being implemented through the Employees' Provident Fund Organisation (EPFO), seeks to reduce the financial burden of the employers and encourages them to hire more workers. The terminal date for registration of beneficiaries has been extended from 30.06.2021 to 31.03.2022. Benefits have been provided to 50.81 lakh beneficiaries through 1.33 lakh establishments till 28.02.2022.

Pradhan Mantri Mudra Yojana (PMMY) is being implemented by the Government 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. Upto 04.03.2022, 33.91 crore loans were sanctioned under the scheme.

Government had launched the Garib Kalyan Rojgar Abhiyaan (GKRA) of 125 days on 20th June, 2020 to boost employment and livelihood opportunities for returnee migrant workers and similarly affected persons including youth in rural areas, in 116 selected districts across 6 States of Bihar, Jharkhand, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh. The Abhiyaan has achieved an employment generation of 50.78 crore person days with a total expenditure of Rs. 39,293 crore.

PM GatiShakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. This approach is powered by Clean Energy and Sabka Prayas leading to huge job and entrepreneurial opportunities for all.

The Government has put emphasis on railways, roads, urban transport, power, telecom, textiles and affordable housing amid continued focus on the National Infrastructure Pipeline. Budget 2021-22 launched Production Linked Incentive (PLI) schemes, with an outlay of Rs. 1.97 lakh crore, for a period of 5 years starting from 2021-22. All these initiatives are expected to collectively generate employment and boost output in the medium to long term through multiplier-effects.

The Government of India is encouraging various projects involving substantial investment and public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP) of the Ministry of Micro, Small & Medium Enterprises, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) & Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) of the Ministry of Rural Development, Deen Dayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) of the Ministry of Housing & Urban Affairs etc. for employment generation.

Besides these initiatives, various flagship programmes of the Government such as Make in India, Digital India, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation, Housing for All, Infrastructure Development and Industrial Corridors are also oriented towards generating employment opportunities.
