

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT  
RAJYA SABHA  
UNSTARRED QUESTION NO. 2695  
TO BE ANSWERED ON 17<sup>TH</sup> JULY, 2019**

**IMPACT OF GST AND DEMONETISATION ON UNEMPLOYMENT RATE**

**2695. SHRI OSCAR FERNANDES:**

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

- (a) whether it is a fact that the unemployment rate has been the highest during 2014 to 2019;**
- (b) if so, what are the reasons for this high unemployment rate;**
- (c) to what extent demonetisation and GST has contributed to this unprecedented unemployment growth; and**
- (d) what measures Government proposes to generate employment in the country?**

**ANSWER**

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT  
(SHRI SANTOSH KUMAR GANGWAR)**

**(a) to (d): As per the results of annual Periodic Labour Force Survey (PLFS) conducted by National Statistical Office (NSO), Ministry of Statistics and Programme Implementation during 2017-18 and employment-unemployment survey conducted by Labour Bureau, Ministry of Labour and Employment, the estimated unemployment rate on usual status (principal status+subsidiary status) basis for the persons of age 15 years and above is given below:**

<b>Survey* Year</b>	<b>Unemployment Rate</b>
<b>2017-18(PLFS)</b>	<b>6.0%</b>
<b>Survey by Labour Bureau</b>	
<b>2015-16</b>	<b>3.7%</b>
<b>2013-14</b>	<b>3.4%</b>

**(Note: \* Survey methodology and sample selection are different in PLFS and Labour Bureau survey)**

**Employment generation coupled with improving employability is the priority of the Government. Government has taken various steps for generating employment in the country like encouraging private sector of economy, fast-tracking various projects involving substantial investment and increasing public expenditure on schemes such as 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 Deendyal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM). Details of the employment generated through these schemes/ programmes are given below:**

<b>Employment Generated</b>				
<b>Schemes/Year</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
<b>Estimated employment generated under PMEGP (in lakh)</b>	<b>3.23</b>	<b>4.08</b>	<b>3.87</b>	<b>5.87 (till 31-03-2019)</b>
<b>Persondays Generated under MGNREGS (in crore)</b>	<b>235.14</b>	<b>235.64</b>	<b>233.74</b>	<b>267.9 (till May, 2019)</b>
<b>Candidates placed under DDU-GKY (in lakh)</b>	<b>1.09</b>	<b>1.48</b>	<b>0.76</b>	<b>1.36 (till May, 2019)</b>
<b>Placement under DAY-NULM (in lakh)</b>	<b>0.34</b>	<b>1.52</b>	<b>1.15</b>	<b>1.63 (till 18-06-2019)</b>

**Source: Respective Ministry**

**Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) has been launched by the Ministry of Labour and Employment for incentivising employers for promoting employment generation. Under this scheme, Government is paying entire employer's contribution (12% or as admissible) towards EPF and EPS for all eligible new employees for all sectors for 3 years. Till 01-07-2019, the scheme has covered 1,52,035 establishments and 1.21 crore beneficiaries.**

**Pradhan Mantri Mudra Yojana (PMMY) has been initiated by 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. Upto 31st March, 2019, 18.26 crore loans were sanctioned under the scheme.**

**Government has implemented the National Career Service (NCS) Project which comprises a digital portal that provides a nation-wide online platform for the job seekers and employers for job-matching in a dynamic, efficient and responsive manner and has a repository of career content to job seekers.**

**Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood and to meet their employment requirement.**

**Start-up India is a flagship initiative of the Government of India, intended to build a strong ecosystem that is conducive for the growth of start-up businesses, to drive sustainable economic growth and generate large scale employment opportunities.**

**Besides these, other 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. Ministries/ Departments/ States run skill development schemes across various sectors to improve the employability of youth and also facilitate placements. Schemes such as the National Apprenticeship Promotion Scheme (NAPS) wherein Government reimburses 25 percent of the stipend payable to apprentices also enhances employability of the youth to access employment.**

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