

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO.402
TO BE ANSWERED ON 25TH JULY, 2024
DISMAL FORECAST ON JOB CREATION**

402. SHRI JAWHAR SIRCAR:

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

- (a) whether Government has refuted Citigroup's report that India will struggle to create 7 to 8 million jobs per year, even with 7 per cent GDP growth, as against 12 million jobs required annually for 10 years to absorb new labour market entrants;**
- (b) the reasons for Government's contradiction of professional non-governmental reports like CMIE's also;**
- (c) the reason for such low employment in manufacturing and formal sectors when 20 million jobs were created per year between 2017-18 and 2021-22; and**
- (d) whether Government's NSO data reveals that even informal entities in manufacturing lost 5.4 million jobs in 7 years?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SUSHRI SHOBHA KARANDLAJE)**

(a) to (d): Government refuted Citigroup's report that India will struggle to create sufficient employment opportunities even with a 7% growth rate.

As per the Reserve Bank of India's (RBI) latest KLEMS data, employment in the country increased to 64.33 crore in year 2023-24 compared to 47.5 crore in 2017-18. Total increase in employment during 2017-18 to 2023-24 is about 16.83 crore. Further, in the manufacturing (formal and informal entities) sector, there has been an increase of 85 lakh employment opportunities during 2017-18 to 2022-23.

Many private companies/bodies/research organizations conduct different surveys based on their own methodology, and CMIE is one amongst them. The official data source on Employment and Unemployment is Periodic Labour Force Survey (PLFS) which is conducted by the Ministry of Statistics and Programme Implementation (MoSPI) since 2017-18. The survey period is July to June every year. As per the latest available Annual PLFS reports, the estimated Worker Population Ratio (WPR) and Unemployment Rate (UR) on usual status for persons of age 15 years and above in the country is as follows:

Year	WPR (in %)	UR (in %)
2017-18	46.8	6.0
2018-19	47.3	5.8
2019-20	50.9	4.8
2020-21	52.6	4.2
2021-22	52.9	4.1
2022-23	56.0	3.2

Source: PLFS, MoSPI

The above data indicates that the WPR i.e. employment has increasing trend and Unemployment Rate has a decreasing trend over the years.

Employees' Provident Fund Organization (EPFO) Payroll Data gives an idea of the level of employment in the formal sector. More than 1.3 crore net subscribers joined EPFO during 2023-24. Moreover, during last six and half years (since September 2017 to March 2024) more than 6.2 crore net subscribers have joined EPFO, indicating increase in formalisation of employment.
