# GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT RAJYA SABHA UNSTARRED QUESTION NO. 2496 TO BE ANSWERED ON 10<sup>TH</sup> AUGUST, 2023

#### WEAK RURAL LABOUR MARKET

### 2496. SHRI DEREK O' BRIEN:

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

- (a) whether a weak rural labour market has pushed the unemployment rate above 8 per cent in July 2023 and whether Government propose to take any steps to tackle this yearly phenomenon; and
- (b) if so, the details thereof, if not, the reasons therefor?

### ANSWER

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

(a) to (b): The data on Employment and Unemployment is collected through Periodic Labour Force Survey (PLFS) which is conducted by the Ministry of Statistics & Programme Implementation (MoSPI) since 2017-18. The survey period is July to June of next year. As per the latest available Annual PLFS Reports, the estimated Unemployment Rate (UR) on usual status for persons of age 15 years and above in rural areas and in the country during 2019-20, 2020-21 and 2021-22 were as follows:

Unemployment Rate (UR)-in %		
Years	Rural	All India
2019-20	3.9	4.8
2020-21	3.3	4.2
2021-22	3.2	4.1

Source: PLFS, MoSPI

The data indicates that the unemployment rate in the country as well as in rural areas has declining trend over the years.

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.

Investments in Infrastructure and productive capacity have a large multiplier impact on growth and employment. The budget of 2023-24 proposed to increase capital investment outlay steeply for the third year in a row by 33 per cent to Rs 10 lakh crore, which would be 3.3 per cent of GDP. This substantial increase in recent years is central to the government's efforts to enhance growth potential and job creation.

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 has provided fiscal stimulus of more than Rupees 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.

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a demand driven wage employment programme which provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. Under MGNREGS wage has been increased to Rs. 202 a day from Rs. 182 to benefit 13.62 crore families.

The Aatmanirbhar Bharat Rojgar Yojana (ABRY) was launched with effect from 1st October, 2020 to incentivize employers for creation of new employment and restoration of loss of employment during Covid-19 pandemic. The terminal date for registration of beneficiaries was 31.03.2022. Since inception of the scheme, till 02.07.2023, benefits have been provided to 60.42 lakhs beneficiaries 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.

The Government has implemented a programme for skilling of rural youth for entrepreneurship development through Rural Self Employment and Training Institutes (RSETIs) and Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), a placement linked skill development programme for wage employment. The Government is implementing Prime Minister Street Vendor's AtmaNirbharNidhi (PM SVANidhi Scheme) since June 01, 2020 to facilitate collateral free working capital loan to street vendors to restart their businesses, which were adversely impacted during the Covid-19 pandemic. As on 14.07.2023, 50.18 lakh loans have been disbursed under the scheme.

Pradhan Mantri Mudra Yojana (PMMY) was launched 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. As on 07.07.2023, more than 42.29 crore loan accounts sanctioned under the scheme.

The Production Linked Incentive (PLI) scheme is being implemented by the Government with an outlay of Rs. 1.97 lakh crore, for a period of 5 years starting from 2021-22 which have potential for creating 60 lakh new jobs.

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 of India is encouraging various projects involving substantial investment and public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP), and Deen Dayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) etc. for employment generation. Further, the Ministry of Skill Development and Entrepreneurship (MSDE) is implementing the National Apprenticeship Promotion Scheme (NAPS) and Pradhan Mantri Kaushal Vikas Yojana (PMKVY) to enhance the employability of youth.

Besides these initiatives, various flagship programmes of the Government such as Make in India, Start-up India, Stand-up India, Digital India, Housing for All etc. are also oriented towards generating employment opportunities.

All these initiatives are expected to collectively generate employment in the medium to long term through multiplier-effects.

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