

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 1017
TO BE ANSWERED ON FEBRUARY 08, 2019

GDP AND EMPLOYMENT

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Will the Minister of FINANCE be pleased to state:

- (a) whether the annual growth rate of Gross Domestic Product (GDP) has been satisfactory for the last several years;
- (b) if so, the reaction of the Government thereon;
- (c) whether despite the continuous economic growth additional avenues of employment could not be created in view of the requirements of the country;
- (d) if so, the details in this regard; and
- (e) whether the Government proposes to change the present model of economic development, if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PON RADHAKRISHNAN)

(a) & (b) The annual growth rate of Gross Domestic Product (GDP) of India since 2011-12 is given in the table below. The growth performance of the economy in the last five years has been remarkable. The economy has achieved high growth of 7.6 per cent in the last 5 years (average from 2014-15 to 2018-19).

Growth of GDP at Constant (2011-12) Market prices (per cent)								
	2011-12	2012-13	2013-14	2014-15	2015-16 (3rd RE)	2016-17 (2nd RE)	2017-18 (1st RE)	2018-19 (1st AE)
GDP	5.2	5.5	6.4	7.4	8.0	8.2	7.2	7.2

Source: CSO
Note: 3rd RE: Third Revised Estimate; 2nd RE: Second Revised Estimate; 1st RE: First Revised Estimate; 1st AE: First Advance Estimate

The growth prospects of the country remain bright. Indian economy is projected to be the fastest growing major economy in the coming financial year (as per International Monetary Fund World Economic Outlook database January 2019).

(c) & (d) As per the information available from Labour Bureau, it does not capture the data on additional avenues of employment creation required in the country. However, as indicated in the Union Budget 2019-20 (Interim), increase in Employees' Provident Fund Organisation membership by 2 crores in two years reflects the increased employment opportunities.

(e) Economic development is on top priority of the Government's economic policy. Government has been consistently taking measures to promote economic growth and for the benefits of these to reach all sections of society. Key measures include; fillip to manufacturing sector via schemes like Make in India, concrete measures for transport, railways, renewable energy sectors, urban and rural infrastructure, and comprehensive reforms in the foreign direct investment policy. The introduction of the Goods and Services Tax (GST) has provided a significant opportunity to improve growth momentum by reducing barriers to trade, business and related economic activities. For promoting inclusive growth to all sections of people, the Government is implementing various programmes/schemes for creating better employment opportunities, strengthening social infrastructure and providing basic amenities like water, electricity, roads, sanitation and housing for covering all sections of population. The Union Budget 2019-20 also laid out measures to promote development in the economy.
