

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO.1459
TO BE ANSWERED ON 1ST JULY, 2019**

NEED OF FORMAL JOBS

**1459. DR. SHRIKANT EKNATH SHINDE:
DR. PRITAM GOPINATHRAO MUNDE:
SHRI VINAYAK RAUT:
SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:
SHRI SRIRANGA APPA BARNE**

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

- (a) whether there is an acute need of more formal enterprises and non-farm jobs to provide formal jobs to the aspirants and if so, the details thereof;**
- (b) whether single labour code, ease of doing business intervention, cashless transactions, reformed labour laws are some of the reforms that the country needs now and if so, the response of the Government in this regard;**
- (c) whether the country's labour laws have several issues that need to be first rectified to solve job problem and if so, the reaction of the Government thereto; and**
- (d) the steps taken by the Government to solve the job problem?**

ANSWER

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

(a) to (d): Employment generation coupled with improving employability is the priority concern 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 in various schemes.

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. This scheme has a dual benefit, where, on the one hand, the employer is incentivised for increasing the employment base of workers in the establishment, and on the other hand, these

workers will have access to social security benefits of the organised sector. The scheme aims to cover a large number of informal workers to the formal workforce.

Reforms in labour laws are an ongoing process to update the legislative system to address the need of the hour so as to make them more effective, flexible and in sync with emerging economic and industrial scenario. The Second National Commission on Labour has recommended that the existing Labour Laws should be broadly grouped into four or five Labour Codes on functional basis. Accordingly, the Ministry has taken steps for drafting four labour codes on Wages, Industrial Relations, Social Security & Welfare, and Occupation Safety, Health and Working conditions respectively, by simplifying, amalgamating and rationalizing the relevant provisions of the existing Central Labour Laws. These initiatives will reduce the complexity in compliance due to multiplicity of labour laws and facilitate setting up of enterprises and thus creating the environment for development of business and industry in the country and generating employment opportunities without diluting basic aspects of safety, security and health of workers.

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.

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 initiatives, 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.
