# GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT LOK SABHA

## UNSTARRED QUESTION NO. 1284 TO BE ANSWERED ON 11<sup>TH</sup> DECEMBER, 2023

#### IMPACT OF LABOUR REFORMS ON JOB CREATION AND INDUSTRIAL GROWTH

1284. DR. MOHAMMAD JAWED:

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

- (a) the status of the implementation of the recently passed Labour Reforms and their impact on job creation and industrial growth in the country;
- (b) the measures taken/being taken by the Government to address the challenges faced by labourers in informal sector, particularly during the COVID-19 pandemic;
- (c) whether new jobs have been created under the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY); and
- (d) if so, the details thereof?

#### **ANSWER**

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

(a) to (d): The Government has formulated four Labour Codes, namely, the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 and published these Codes in the Official Gazette for general information. The four Labour Codes strengthen the protection available to workers, including unorganized workers in terms of statutory minimum wage, social security and healthcare of workers. In addition, the Codes also ease compliance mechanism aiming to promote ease of doing business/setting up of enterprises and catalyze creation of employment opportunities while ensuring safety, health and social security of every worker. As a step towards implementation of the four Labour Codes, rules are required to be framed by the Central Government as well as by the State Governments. The Central Government and a number of States/Union Territories (UTs) have pre-published the draft rules under 4 Labour Codes, inviting comments of all stakeholders.

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 is providing 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.

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.

Government is implementing Prime Minister Street Vendor's AtmaNirbhar Nidhi (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.

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.

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.

The Production Linked Incentive (PLI) schemes 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 SabkaPrayas 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), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Pt. DeenDayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Rural Self Employment and Training Institutes (RSETIs) and Deen Dayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) etc. for employment generation in the country.

To enhance the employability of the youth, the Ministry of Skill Development and Entrepreneurship (MSDE) is implementing the "National Apprenticeship Promotion Scheme (NAPS)" wherein the Government reimburses 25 percent of the stipend payable to apprentices.

The Government is implementing a programme for skilling of rural youth for entrepreneurship development through Rural Self Employment and Training Institutes (RSETIs).

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 in the country.

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

Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) was launched with effect from 1.4.2016 to incentivise employers for creation of new employment. The terminal date for registration of beneficiaries under the scheme through establishment was 31.03.2019. The beneficiaries registered upto 31st March, 2019 continued to receive the benefit for 3 years from the date of registration under the scheme i.e. upto 31st March, 2022. Under the scheme, benefits have been provided to 1.21 crore beneficiaries through 1.52 lakh establishments.

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