GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT LOK SABHA

UNSTARRED QUESTION NO. 1094 TO BE ANSWERED ON 10TH FEBRUARY, 2025

EMPLOYMENT GROWTH AND WAGE EQUITY

1094. SHRI MANICKAM TAGORE B: SHRI VIJAYAKUMAR ALIAS VIJAY VASANTH:

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

- (a) whether the country is facing high unemployment rates despite 97% of firms have been planning to increase employment;
- (b) the specific action taken by the Government to address the issue across all the sectors;
- (c) the measures being taken by the Government to ensure that these jobs are not low-wage or temporary, but provide long-term, stable employment for the youth;
- (d) whether the Government has any plan to ensure these jobs offer fair wages and quality working conditions especially in light of rising inflation, if so, the details thereof;
- (e) whether the Government intends to ensure that this growth is distributed fairly and reaches workers and if so, the details thereof; and
- (f) the manner in which the Government ensure that the expected rise in private investments translates into sustainable and quality jobs and not just low-skill and exploitative employment?

ANSWER

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

(a) to (f): The official data on Employment and Unemployment is collected through Annual Periodic Labour Force Survey (PLFS), which is conducted by Ministry of Statistics and Programme Implementation (MoSPI) since 2017-18. The survey period is July to June every year.

As per the data available in latest Annual PLFS Reports, the estimated Unemployment Rate (UR) on usual status for persons of age 15 years and above has decreased from 6.0 % during 2017-18 to 3.2% in 2023-24. Also, the estimated Worker Population Ratio (WPR) indicating employment on usual status for persons of age 15 years and above has increased from 46.8% in 2017-18 to 58.2% in 2023-24.

The KLEMS (K: Capital, L: Labour, E: Energy, M: Materials and S: Services) database published by Reserve Bank of India (RBI) provides employment estimates, including manufacturing sector, at all India level. As per the latest data of the database, employment in the country increased to 64.33 crore in 2023-24 as compared to 47.5 crore in 2017-18.

Further, more than 7 crore net subscribers have joined Employees' Provident Fund Organization (EPFO) between September 2017 and September 2024 indicating increase in formalization of the job market. Also, more than 3.92 crore net subscribers have joined EPFO during the year 2021-22 to 2023-24.

Provision of minimum wages under the Minimum Wages Act, 1948 provides for cost of living allowance as a component of minimum wages. Accordingly, the Central Government revises the cost of living allowance called as Variable Dearness Allowance (V.D.A) on basic rates of minimum wages under the Minimum Wages Act, 1948, every six months effective from 1st April and 1st October every year on the basis of Consumer Price Index for Industrial workers to protect the minimum wages against inflation.

Employment generation coupled with improving employability is a priority of Government and is a multi-stakeholder initiative. The various Ministries/ Departments of Government of India like Ministry of Micro, Small and Medium Enterprises, Ministry of Rural Development, Ministry of Housing and Urban Affairs, Ministry of Finance, Ministry of Textile etc. are implementing different employment generation schemes/ programmes for all including youth. The details of these schemes/ programmes mav be seen at https://dge.gov.in/dge/schemes_programmes.

Government is implementing Skill India Mission (SIM) to deliver skill, reskill and up-skill training through an extensive network of skill development centres/ schools/ colleges /institutes etc. under various schemes, viz. Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Jan Shikshan Sansthan (JSS), National Apprenticeship Promotion Scheme (NAPS) and Craftsmen Training Scheme (CTS) through Industrial Training Institutes (ITIs). The SIM aims at enabling youth of India to get future ready, equipped with industry relevant skills.

Further, Government has announced in Budget 2024-25, Prime Minister's package of 5 schemes and initiatives to facilitate employment, skilling and other opportunities for 4.1 crore youth over a 5-year period with a central outlay of Rs.2 lakh crores. It includes, the Employment Linked Incentive (ELI) scheme announced in Budget 2024-25, with an outlay of Rs 1,07,000 Crores, which aims at job creation and formalization of work force by providing Social Security through EPFO, enhancing employability and incentivizing additional employment generation through incentives to employees and employers.

Union Budget 2025-26 has also announced multiple employment generation initiatives across various sectors.
