

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 1186
TO BE ANSWERED ON 27TH JULY, 2026**

EMPLOYMENT TRENDS AND FORMAL JOB CREATION

1186. SHRI MANICKAM TAGORE B :

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

- (a) whether private sector job creation has slowed down in key sectors like IT and Services Sector and if so, the details thereof and if not, the reasons therefor and steps to boost hiring;**
- (b) whether the Government has evaluated the impact of automation and artificial intelligence on employment, if so, the details thereof and if not, the reasons therefor and reskilling initiatives undertaken;**
- (c) whether any regional imbalance exists in job creation across the States/UTs and if so, the details thereof and if not, the reasons therefor along with the measures to ensure equitable employment growth;**
- (d) whether the Government has conducted any audit of outcomes of schemes like Production Linked Incentive (PLI) and Skill India in generating jobs and if so, the details thereof and if not, the reasons therefor; and**
- (e) whether informal sector employment continues to dominate despite policy focus on formalisation and if so, the details thereof and if not, the reasons therefor and steps to increase formal jobs?**

ANSWER

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

(a) to (e): Official estimates of employment and unemployment in India are derived from the Periodic Labour Force Survey (PLFS), conducted by the Ministry of Statistics and Programme Implementation since 2017–18. The PLFS methodology was revamped with effect from January 2025. The PLFS Annual Report 2025 is the first report in the revised series to present labour market estimates, covering the period from January to December 2025.

As per latest PLFS report 2025, the percentage distribution of workers in usual status by broad industry division of tertiary sector (i.e. service sector including IT sector) has increased from 29.1% in 2022 to 31.8% in 2025 in the country.

Further, as per latest PLFS report 2025, the estimated Worker Population Ratio (WPR) indicating employment on usual status for persons of age 15 years and above has increased from 54.1% in 2022 to 57.4% in 2025 in the country.

The KLEMS (K: Capital, L: Labour, E: Energy, M: Materials and S: Services) database published by Reserve Bank of India's (RBI) covers 27 industries comprising of the entire Indian economy and provides employment estimates across 27 industries. As per the latest data, total estimated employment in the country has increased to 64.33 crores (Provisional) during 2023-24 as compared to 47.15 crores during 2014-15, which indicates a growth of 36.44% during the period.

Further, more than 8.23 crore net subscribers have joined Employees' Provident Fund Organization (EPFO) between September 2017 and July 2025 indicating increase in employment and formalization of the job market. Also, more than 1.29 crore net subscribers have joined EPFO during the year 2024-25.

As per the NASSCOM report "Advancing India's AI skills" published on August 2024, the AI talent in India is expected to grow from 6 lakh – 6.5 lakh professionals to more than 12.50 lakh professionals by the year 2027 at a 15 percent compound annual growth rate (CAGR).

Artificial Intelligence (AI) may result in job creation in various streams like data science, data curation, etc. So far, 8.65 lakh candidates have enrolled/trained in various courses including 3.20 lakh candidates in AI/Big Data Analytics technologies. Reskilling and upskilling initiatives are being undertaken through multiple national programmes that support workforce transition, redeployment, and preparedness for emerging job roles.

Ministry of Electronics and Information Technology (MeitY) has initiated 'FutureSkills PRIME' a programme for Re-skilling/Up-skilling of IT Manpower for Employability in 10 new/emerging technologies including Artificial Intelligence.

The Government has launched Production Linked Incentive (PLI) Schemes for 14 key sectors with an approved financial outlay of ₹1.91 lakh crore to enhance India's manufacturing capabilities, attract investments, increase exports, generate employment and improve India's global competitiveness. The Department for Promotion of Industry and Internal Trade (DPIIT) acts as the nodal Department for overall coordination and monitoring of the PLI Schemes, while the respective Administrative Ministries/ Departments are responsible for implementation of their respective Schemes. As on 31.03.2026, the PLI Schemes, resulted in actual investment of over ₹2.40 lakh crore and employment generation of over 14.15 lakh (direct and indirect).

Employment generation coupled with improving employability is a priority of the Government. Accordingly, Government is implementing various employment generation schemes/ programmes in the country. The details of various employment generation schemes/ programmes being implemented by the Government may be seen at https://dge.gov.in/dge/schemes_programmes.

The Rozgar Mela is a major initiative aimed at prioritising employment generation. Since its inception, more than 12.5 lakh recruitment letters have been issued through 19 Rozgar Melas organised across the country.

Government is also implementing Skill India Mission (SIM) to deliver skill, re-skill 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) in the country. The SIM aims at enabling youth of India to get future ready, equipped with industry relevant skills.

The Ministry of MSME launched Udyam Registration Portal on 01.07.2020 for formalizing enterprises, expanding access to government support and strengthening the MSME ecosystem. A total of 8.9 crore Micro, Small and Medium Enterprises (MSMEs) have been registered on Udyam Registration Portal, including Udyam Assist Platform (UAP), providing employment to over 39 crore people across the country.

Additionally, the Government is implementing Employment Linked Incentive (ELI) Scheme named as the Pradhan Mantri Viksit Bharat Rozgar Yojana to support employment generation, enhance employability and social security across all sectors, with special focus on the manufacturing sector. The scheme with an outlay of Rs 99,446 Crore aims to incentivize the creation of more than 3.5 Crore jobs in the country, over a period of 2 years. The PMVBRY is a demand-driven scheme. Under part A, incentive amount of Rs 744.7 crore has disbursed to 13.18 lakh first timer employees; and under Part B, incentive amount of Rs 2068.84 cr has been disbursed to 83,535 beneficiary establishments.

Further, Ministry of Labour and Employment, Government of India, is running the National Career Service (NCS) Portal which is a one-stop solution for providing career related services including jobs from private and government sectors, information on online & offline job fairs, job search & matching, career counselling, vocational guidance, information on skill development courses, skill/training programmes etc. through a digital platform [www.ncs.gov.in].

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