GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 1196
TO BE ANSWERED ON 27TH JULY, 2026

IMPACT OF RISING INFLATION ON WORKERS

1196. SHRI ARVIND GANPAT SAWANT:

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

(a) whether the Government has conducted any study on the impact of rising inflation on employment and the purchasing power of the general public and if so, the details thereof and the major findings of the study;

(b) the corrective measures taken by the Government based on the findings of the study;

(c) the details of the Government's plans for employment generation and income enhancement in the future;

(d) the details of the impact of rising inflation on those workers who employed in the unorganized sector;

(e) whether the Government is considering to implement a policy for revising wages in line with inflation and if so, the details thereof; and

(f) the details of relief provided/being provided by the Government to poor families through social security schemes?

ANSWER

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

(a) to (f): 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 estimated Unemployment Rate (UR) on usual status for persons of age 15 years and above has decreased from 3.6% in 2022 to 3.1% in 2025 in the country.

Further, 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.

PLFS also provide information on the earnings of worker. As per PLFS, the estimated average wage/ salary earnings during the preceding calendar month by the regular wage/ salaried employees in current weekly status has increased from Rs. 19,316 in 2022 to Rs. 22,699 in 2025. Estimated average earnings per day by casual labour engaged in works other than public works has increased from Rs. 394 in 2022 to Rs. 453 in 2025 and estimated gross earnings during the last 30 day by the self-employed persons has increased from Rs. 12,732 in 2022 to Rs. 14,861 in 2025.

Retail inflation rate (Y-o-Y) measured by the Consumer Price Index (Base year 2024) declined from 4.6 per cent in 2024-25 to 2.1 per cent in 2025-26. Further, average headline inflation during the first quarter (April–June) of 2026-27 stood at 3.9 per cent. However, it is still below the Reserve Bank of India's (RBI) inflation target of 4 per cent.

The Government has undertaken a series of measures to control inflation, while fostering sustainable employment and improving household incomes, particularly among the poor and the youth. These include, inter alia, the augmentation of buffer stocks for essential food items, strategic sales of procured grains in the open market, facilitation of imports and export curbs during periods of short supply, implementation of stock limits to push more supplies of select commodities into the market, retail sales of select food items under the Bharat brand at subsidised rates, and above all, distribution of food grains free of cost to around 81 crore beneficiaries under the National Food Security Act and increasing the disposable income of individuals by exempting annual incomes up to Rs. 12 lakh (and Rs. 12.75 lakh for salaried individuals with standard deduction) from income tax.

In addition to inflation control measures, various steps have been taken to expand job opportunities through various employment generation and skill development programs such as Prime Minister's Employment Generation Programme, Aatmanirbhar Bharat Rojgar Yojana, Pradhan Mantri Viksit Bharat Rozgar Yojana, National Urban/Rural Livelihoods Missions, Viksit Bharat – Guarantee for Rozgar and Ajeevika Mission (Gramin), Kaushal Vikas Yojanas etc.

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].

The Ministry of Labour and Employment launched eShram portal (eshram.gov.in) which is a One-Stop-Solution for unorganized workers to have access to various social security schemes, Ministry of Labour and Employment launched the eShram– "One-Stop-Solution" on 21st October 2024. eShram– "One-Stop-Solution" entails integration of different social security/ welfare schemes at single portal i.e., eShram. This enables unorganized workers registered on eShram to access social security schemes and see benefits availed by them so far, through eShram.So far, fifteen (15) schemes of different Central Ministries/ Departments have already been integrated/ mapped with the eShram to extend benefits and access to social security, health insurance and accidental claim to eShram cardholders.

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