

of the four regional member countries of the SAARC would work within the framework of the SAARC. So, as I said, these objections no more exist today. I would also request the hon. Members of this House that we may await the arrival of our Prime Minister as he is likely to make a statement tomorrow explaining the discussion that has taken place in a better way.

SHRI P.V. NARASIMHA RAO: Madam, that would be correct because it is not at all clear how a particular project could be taken as an exception or as emanating from the SAARC ground rules. We will have to be very clear about it because down the road, as I said, we might encounter difficulties. So, I would like the Prime Minister, after he returns, either to take the House into confidence or write to some of us—the Leaders of the Opposition. Since I am asking, he may also send a copy to me kindly. I would like to enlighten myself. I am not at all clear how this has been done.

SHRI RAMAKANT D. KHALAP: Madam, the suggestion is well taken. We will implement the suggestion.

#### Rate of Growth in Employment

\*544. SHRI GEORGE FERNANDES: Will the Minister of LABOUR be pleased to state:

(a) Whether employment in the organised sector has been declining in the country;

(b) the extent to which the Government enterprises, both Union and State, contributed to this decline;

(c) Whether any steps are being contemplated to increase the rate of growth in employment in both organised and unorganised sectors; and

(d) if so, the details thereof ?

THE MINISTER OF LABOUR (SHRI M. ARUNACHALAM): (a) to (d) A Statement is laid on the Table of the House.

#### Statement

Estimates of employment in the organised sector (all public sector establishments and all non-agricultural establishments in the private sector employing 10 or more workers) as per the information obtained under the Employment Market Information Programme of the Directorate General of Employment & Training as on 31st March 1992 to 1996 were as follows:-

As on 31st March	Employment (Lakh)			Growth Rate
	Public	Private	Total	
1992	192.10	78.46	270.56	1.2%
1993	193.26	78.51	271.77	0.5%
1994	194.45	79.30	273.75	0.7%
1995	194.66	80.59	275.25	0.54%
1996	194.29	85.12	279.41	1.51%

From the above it may be seen that growth of employment in the organised sector was not significant and the share of public sector (considering both Central and State) in the total organised sector employment was of the order of 70%.

Our of 194.29 lakhs employment in the public sector as on 31st March 1996 about 35.38 lakhs and 29.20 lakhs were in the Quasi Government Central and Quasi Government State respectively.

Recognising the high incidence of under-employment and increasing casualisation of labour, the approach to the Ninth Five Year Plan has stressed the need for enhancing employment opportunities for the poor. Greater productive employment will be generated in the growth process itself by concentrating on sectors, sub-sectors and technologies which are labour intensive, in regions characterised by higher rates of unemployment, and under-employment. Seven basic services have been identified for priority attention with an all out efforts for their complete coverage in a time bound manner. These are safe drinking water, availability of primary health service facilities, universalisation of primary education, provision of public housing assistance to all shelterless poor families, nutritional support to children, connectivity of all villages and habitations by roads and public distribution system targetted to the poor. Thrust given to the above seven basic services will also generate employment.

The existing programmes to upgrade the skills of artisans in rural areas and improving their capabilities with modern tool kits will be strengthened in the Ninth Plan. In every district, it is envisaged that the district Rural Infrastructural Development Fund (RIDF) will be used for projects which encourage groups of small farmers, artisans, or landless labourers to organise for skill upgradation, processing, transport infrastructure or quality improvement, centred around large agro based projects or identified centres of regional, national and export demand.

In addition to above, Special Employment Programmes are in operation to provide employment to the weaker sections of the population in both rural and urban areas, which include Integrated Rural Development Programme (IRDP), Jawahar Rozagar Yojana, Employment Assurance Scheme in rural areas and Nehru Rozgar Yojana, Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP) and Urban Basic Services for the Poor (UBBP) in urban areas and Prime Minister's Rozgar Yojana specifically for the educated in both rural and urban areas. For the balance unemployment the Ninth Plan will also implement a National Employment Assurance Scheme.

The approach paper to the Ninth Five Year Plan, in its guidelines for selection of programmes, has inter-alia, stipulated that schemes which are non-displacing, empowering and labour intensive should have priority.

[Translation]

SHRI GEORGE FERNANDES: Mr. Chairman, Sir,

whatever the information the Minister has given in his reply, it shows that during the last five years employment of ten lac more workers in the organised sector of the country has resulted in creation of total 8,85,000 new employments. It is a fact that some new employments have been created in place of some old employments. But more than 8,85,000 employments have been created out of which 6,66,000 have been created in private sector and 2,19,000 have been created in public sector. Now, I am troubled about the position of employment in the Public Sector as shown in budget presented recently by the Finance Minister, as per the list provided which contained full details I am puzzled about two figures.

The first one related to the Railways where there were 15,89,000 employees in 1996, and this number came down to 15,51,000 in 1998, i.e., in all there was a short fall of 37,000 employments. Whereas there were 5,16,810 police personnel as per police account of Home Department of Government of India in 1996. In 1998 their strength went up by 5,87,347 with an increase of 70,537 police personnel. I would like to know from the Minister in regard to the scheme evolved for employment, on one hand employment opportunities have been curtailed in productive sectors and to check unemployment a policy of giving employment in Police department is being adopted, but how long do you propose to follow this policy? What is the remedy measures you have in this regard?

[English]

SHRI M. ARUNACHALAM: Madam, as far as the public sector is concerned, I do not have sector-wise statistics. But I can tell the hon. Member that employment generation in the organised sector was not substantial. I agree with the hon. Member on this point. Employment opportunities have not declined and, at the same time, they have risen in a satisfactory manner. This has resulted in the perception that employment opportunities are shrinking in the organised sector. What is happening is that the increase in the organised sector is not resulting in a proportional increase in the employment opportunities. After liberalisation, you will find from the statistics which I have given that employment opportunities are not shrinking.

[Translation]

SHRI GEORGE FERNANDES: Mr. Chairman, Sir, I am unable to understand the point of the Hon'ble Minister, on one hand he is saying that employment is increasing but on the other hand, nothing is reducing while liberalisation policy is going on then, under which policy the employment opportunity is not increasing or decreasing. How far you propose to plead in favour of multinational companies. Hon'ble Minister has not spelt out anything in his lengthy reply regarding creating of employment opportunities.

[English]

"Labour intensive in regions characterised by higher rates of Unemployment and under-employment".

[Translation]

A new employment policy is going to be formulated. Your entire economic policy depends on multinational companies and International powers. As you have been told in this regard. I would like to ask the hon'ble Minister about a concrete point. The strength of Bidi workers is 60 lakh in India. The Govt. has made an attempt to close the Bidi industry by reducing excise on cigarette and imposing it on Bidi. I can give 25 examples of this kind. So, I would like to ask the hon'ble Minister to pay attention to the areas where people are working under self employment scheme and what measures would be adopted to save such employment opportunities.

[English]

SHRI M. ARUNACHALAM: Madam, the strategy of the Government in all the Plans is to increase employment opportunities and to provide employment to all. So far as the tax structure and other things are concerned, the hon. Member should put a separate question to the hon. Minister of Finance.

SHRI NIRMAL KANTI CHATTERJEE: I think, what he was underlining is that globalisation, via the Minister of Finance, means jobless growth. The data provided here indicates that the growth rate in 1993 was 0.5 per cent; in 1994, it was 0.7 per cent, and in 1995, it was 0.4 per cent. It is coming down. My question is very simple. It was also mentioned in the last paragraph of the reply. "The approach paper to the Ninth Five Year Plan, in its guidelines for selection of programmes, has *interalia* stipulated that schemes which are non-displacing, empowering and labour intensive should have priority". I have one question and the Minister of Labour should take the help of the Minister of Finance, if necessary.

The first part of my question pertains to the Planning Commission, which has ceased to give the figure of unemployed for so many Plan periods. Would the Minister request the Planning Commission to supply those figures and reestablish those figures? The second part of my question is that the backlog is increasing because the rate of growth of employment is less than the rate of growth of labour. So, the backlog is always being added to. In which year, is the Minister of Labour expecting to turn this situation so that the backlog is reduced?

MR. CHAIRMAN: Please allow the Minister to reply.

SHRI NIRMAL KANTI CHATTERJEE: The third part of my question pertains to handlooms because the Minister has mentioned 'khadi' as labour intensive. Will he spend more on handlooms?

12.00 hrs.

MR. CHAIRMAN: There is no time. The hon. Minister may give a quick reply.

SHRI M. ARUNACHALAM: The hon. Member has conveniently left to mention the growth rate for the year, 1996 which is 1.5 per cent.

SHRI NIRMAL KANTI CHATTERJEE: The GDP growth rate is lower and that growth rate is higher. That is the contradiction there.

SHRI M. ARUNACHALAM: He has conveniently omitted to mention that. The estimated number of jobs to be created by 2002 AD by the end of Ninth Plan comes to 94 million and they will provide employment.

MR. CHAIRMAN: You may send the hon. Member a detailed written reply.

## WRITTEN ANSWERS TO QUESTIONS

[*Translation*]

### Inflation Rate

\*545. SHRI KASHI RAM RANA:

SHRI VISHVESHWAR BHAGAT:

Will the FINANCE Minister be pleased to state:

(a) whether the rate of inflation has crossed double digit mark despite measures taken by the Government to control it;

(b) if so, the details of wholesale price index and consumer price index of the essential commodities during the last six months;

(c) the reasons for constant increase in both the price indices;

(d) the weekly rate of inflation on point to point basis during the above period;

(e) the effect of increase in inflation on the wholesale and retail prices of essential commodities; and

(f) the steps taken/proposed to be taken by the Government to check the price rise and to contain the rate of inflation ?

THE MINISTER OF FINANCE (SHRI P. CHID-AMBARAM) : (a) The annual inflation rate based on Wholesale Price Index (WPI) remained at single digit level throughout 1996-97 reaching a peak of 8 per cent in December, 1996. It has since declined to 6.35 per cent by the end of April 1997. However, the inflation rate based on Consumer Price Index for Industrial Workers (CPI-IW) peaked at 11.1 per cent in January 1997, declining thereafter to 10 per cent in March 1997.

(b) The Wholesale Price Index and Consumer Price Index for Industrial Workers (CPI-IW) for essential commodities in the six month period October-March 1996-97 is listed below:

1996-97	Essential Commodities	
	Wholesale Price Index	Consumer Price Index
October	330.4	343
November	333.9	348
December	335.4	349
January	332.1	347
February	334.4	347
March	336.5	N.A.

(c) The increase in the WPI as also in the CPI-IW during 1996-97 was due to several factors such as, the long overdue adjustment in petroleum prices (by 18%), coal (by 22 per cent), electricity (by 10.6 per cent) besides the 16 per cent increase in issue price of sugar. A decline of over 3 million tonnes in Wheat production in 1995-96 and the consequent lower procurement of 4 million tonnes was responsible for the sharp rise in the market price of foodgrains, especially wheat whose price rose by over 33 per cent.

(d) The weekly rate of annual inflation based on WPI on point-to-point basis for the past six months is listed below:

Month	Week ending	Annual
		Inflation (%)
1	2	3
November 1996	02.11.96	6.72
	09.11.96	6.47
	16.11.96	6.44
	23.11.96	6.76
	30.11.96	6.67
December	07.12.96	7.15
	14.12.96	7.39
	21.12.96	7.81
	28.12.96	8.05
January 1997	04.01.97	7.75
	11.01.97	7.57
	18.01.97	7.28
	25.01.97	7.53
	February	01.02.97
March	08.02.97	7.83
	15.02.97	7.85
	22.02.97	7.77
	01.03.97	7.75
	08.03.97	7.78P
	15.03.97	7.65P
	22.03.97	7.51P
29.03.97	7.35P	