

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

STARRED QUESTION NO:224

ANSWERED ON:15.12.2008

DECLINE IN JOB OPPORTUNITIES

Chandrapan Shri C.K.;Siddeswara Shri Gowdar Mallikarjunappa

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

- (a) whether unemployment has increased in the country due to slow industrial development,closure of industrial units and global economic recession;
- (b) if so,the details thereof and the reaction of the Government thereto silongwith the number of jobs lost during the current year;and
- (c) the remedial measures taken by the Government to safeguard the interests of the workforce?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI OSCAR FERNANDES)

(a) to (c): A statement is laid on the Table of the House,.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF LOK SABHA STARRED QUESTION NO.224 BY SHRI C.K.CHANDRAPAN AMD SHRI G.M.SIDDESWARA REGARDING DECLINE IN JOB OPPORTUNITIES FOR REPLY ON 15TH DECEMBER,2008.

(a) & (b): No exhaustive survey/study has been conducted regarding increase of unemployment due to slow industrial development,closure of industrial units and global economic recession. However,a sample study conducted (for the period August-October,2008) by Department of Commerce for 121 export related companies belonging to several sectors;primarily employment oriented sectors like Textiles including Garments,Leather,Engineering,Gems & Jewellery,Handicrafts,Food and Food Processing,Minerals,Marine Products revealed loss in Export Orders to the tune of Rs. 1792 Crores and loss of jobs of around 65,500.

(c): Government is concerned about the impact of global financial crisis on the Indian economy and several measures financial and fiscal have been initiated to instil confidence in the economy, spur growth and overcome crisis.Some of the important steps relate to RBI measures to enhance liquidity in the market and an economic package by the Government of India,mainly comprising additional spending, interest subvention and excise duty cuts. These measures will prevent large scale job losses.

In order to provide a social safety net, with effect from 01.04.2005,the Employees` State Insurance Corporation has introduced `Rajiv Gandhi Shramik Kalyan Yojana`.Under the scheme, employees who lose their employment due to retrenchment, closure of factories/establishments or permanent invalidity due to non-employment injury, after being insured for five or more years, are entitled to Unemployment Allowance in cash equal to 50% of their wage upto 6 months during his/her entire service. In addition, he and his family members are also entitled to medical care.