

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

UNSTARRED QUESTION NO:4261

ANSWERED ON:29.08.2011

GROWTH RATE OF EMPLOYMENT

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

- (a) whether the rate of growth of employment has decelerated including employment in rural areas during the last three years;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has formulated any National Employment Policy;
- (d) if so, the details thereof alongwith the details of fund provided during the Eleventh Five Year Plan;
- (e) whether the annual compound growth rate of employment opportunities in public sector is negative in almost all the States; and
- (f) if so, the corrective steps taken by the Government in this regard?

Answer

MINISTER OF LABOUR AND EMPLOYMENT(SHRI MALLIKARJUN KHARGE)

(a) Reliable estimates of employment and unemployment are obtained through quinquennial labour force surveys conducted by National Sample Survey Office. Last such survey was conducted during 2009-10.As per most recent two surveys, rate of growth of employment on usual status has decelerated from 2.95 percent per annum during 1999-2000 to 2004-05 to 0.28 percent per annum during 2004-05 to 2009-10 in the country.

(b) The details of rate of growth of employment per year in rural and urban areas are given below:

Annual rate of growth of employment (%)

Period 2004-05/1999-2000 2009-10/2004-05

Rural	2.70	(-) 0.19
Urban	3.71	1.61
Total	2.95	0.28

The reasons for decline in rate of growth of employment during 2004-05 to 2009-10 may be attributed to drastic deceleration in labour force participation rate particularly among women, reduction in subsidiary employment, increase in level of income in rural areas due to increase in real wages, higher level of participation in education, etc.

(c) A draft National Employment Policy (NEP) has been prepared by Ministry of Labour & Employment in consultation with various Central Ministries/Departments and other stakeholders which is at advanced stage of finalization.

(d) The objective of the National Employment Policy is to provide a holistic framework towards achieving the goal of remunerative and decent employment for all women and men in the labour force in a sustainable manner.It aims at accelerating employment growth, particularly in the organized sector, and improving the quality of jobs in terms of productivity, average earnings, and protection of workers, especially in the unorganized sector. The National Employment Policy has not yet been finalized, therefore, no fund has been allocated in the Eleventh Five Year Plan.

(e) Yes, Madam. State-wise details of annual compound growth rate of employment opportunities in public sector during 2005-2009 based on information collected under Employment Market Information Programme of Directorate General of Employment & Training, Ministry of Labour and Employment, Government of India are at Annex.

(f) The Eleventh Plan aims at increasing private organized sector employment ambitiously, by at least 10 million. Along with the public sector, organized sector jobs would then expand by over 15 million, a growth rate of about 9% per annum.