

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

UNSTARRED QUESTION NO:5105
ANSWERED ON:05.09.2011
DECLINE IN LABOUR FORCE
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Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether the latest data have been released by the Government on three segments; labour force participation, worker-population ratio and unemployment rate in the country in relative terms since 2008-09 showing a decline in each segment;
- (b) if so, the reasons for the decline and its likely impact other sectors of the economy;
- (c) whether real estate and agriculture sector are facing acute shortage of skilled and semi-skilled labour;
- (d) if so, to what extent the shortage of labour has increased the output cost in these sectors;
- (e) whether MGNREGS has stopped the migration of labour from rural to urban areas; and
- (f) the steps taken by the Government to meet the shortage of skilled and semi-skilled labour to these sectors?

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.

Estimates of labour force participation rate (LFPR), worker-population ratio (WPR) and unemployment rate (UR) in the country on usual status basis during the period 2004-05 and 2009-10 are given below:

(in percent)

Segments 2004-05 2009-10

LFPR 43.0 40.0

WPR 42.0 39.2

UR 2.3 2.0

(b) The reasons for decline in rate of growth of employment during 2004-05 to 2009-10 may be attributed to 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) & (d) As per 61st round of the National Sample Survey conducted during 2004-05, about 2 percent reported to have formal vocational training and another 8 percent reported to have received non-formal vocational training in the age group of 15-29 year.

(e) Implementation of MGNREGS in rural areas has helped in checking distress migration from rural to urban areas.

(f) The coordinated Action Plan for Skill Development has set a target of 500 million skilled persons by the year 2022, and all concerned Ministries and Departments have been mandated to undertake skill development programmes accordingly. All the Government Industrial Training Institutes (ITIs) are being modernized. New Govt. and Private ITIs and ITCs are being setup to further augment training capacity. A new scheme, titled Skill Development Initiative has been started to train one million persons in five years and then one million every year in short term modular employable skills. National Skill Development Corporation has been provided an amount of Rs. 1500 crore to train persons, particularly in the unorganized sector.