

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:6067

ANSWERED ON:14.05.2012

. ECONOMIC RECESSION

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**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether the Government has assessed the impact of the present economic slowdown on the indigenous industries during the current year;
- (b) if so, the details thereof alongwith the impact on the growth rate during the current year as compared to the last two years, sector-wise; (
- (c) whether there is also decline in creation of additional employment opportunities in the various industrial sectors; and
- (d) if so, the details thereof alongwith their impact during the last three years?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b): Government have not made any assessment separately regarding the impact of the economic slowdown on the indigenous industries. However, the factors that have impacted the industrial growth include moderation in the rate of growth of consumption expenditure, underperformance of the construction sector, hardening of interest rates and global economic uncertainty etc. The growth rate of industry, measured in terms of Index of Industrial Production (IIP), has increased from 5.3 per cent in 2009-10 to 8.2 per cent in 2010-11; but declined to 2.8 per cent in 2011-12, as may be seen from the table below: Table: Sector-wise growth in Index of Industrial Production (IIP)

(in percent)

Industrial sectors	2009-10	2010-11	2011-12
Mining& Quarrying	7.9	5.2	-2.0
Manufacturing	4.8	8.9	2.9
Electricity	6.1	5.5	8.2
Overall IIP	5.3	8.2	2.8

Source: Central Statistics Office (CSO)

(c)&(d): As per the quarterly report of the thin sample of 'Quick Employment Surveys' conducted by the Labour Bureau, Ministry of Labour and Employment, in eight selected sectors of the economy i.e. Textiles, Leather, Metals, Automobiles, Gems&Jewellery, Transport, IT/BPO, Handloom/Powerloom, estimated additional jobs created during 2010-11 has declined to 9.78 lakh compared to 10.65 lakh during 2009-10. During first nine months of 2011-12 (April-December) additional jobs created is estimated at 7.56 lakh compared to 8.04 lakh additional jobs created in the corresponding period of 2010-11. Sector wise details of decline in job creation during the last three years is given at Annexure.