

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1887

ANSWERED ON:19.08.2013

EMPLOYMENT IN STEEL SECTOR .

Gawali Patil Smt. Bhavana Pundlikrao ;Nagorao Shri Dudhgaonkar Ganeshrao;Rana Shri Jagdish Singh;Rawat Shri Ashok Kumar

Will the Minister of STEEL be pleased to state:

- (a) the details of the number of proposed, under construction and functional steel plants in the country at present, State-wise;
- (b) whether the Government has assessed the potential of employment opportunities in the steel sector and if so, the details thereof;
- (c) the details of employment opportunities generated in the steel sector during each of the last three years and the current year;
- (d) whether there is any specific provision for providing employment to local population residing in the plant area and if so, the details thereof and if not, the reasons therefor; and
- (e) the action taken/proposed to be taken by the Government in this regard along with the policy formulated by the Government to generate employment in the steel sector in future?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a)to(e): Steel is a deregulated sector. Therefore, the decision regarding setting up of steel plants is taken solely by the investors based on assessment of prevailing and expected market/economic conditions. As per available information, there are around 3647 steel factories in the country mostly located in the States of Jharkhand, Bihar, Odisha, Chhattisgarh, Andhra Pradesh, West Bengal, Karnataka, Maharashtra etc. Production capacity of crude steel is gradually increasing and the same has increased from 51.17 million tonnes per annum (mtpa) in 2005-06 to 89.29 mtpa in 2011-12 resulting generally in increase in number of employment opportunities. As number of steel factories/plants in the country is quite large, the details about increasing employment opportunities in private sector are not maintained in the Ministry of Steel.

As regards public sector, massive modernisation and expansion plans have already been launched by Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) for increasing the steel making capacity from 12.4 mtpa to 20.2 mtpa and from 3.0 mtpa to 6.3 mtpa respectively. These plans envisage several new facilities involving latest technology resulting in demand of additional technical and skilled manpower. Details of direct employment generated (recruitment) in SAIL and RINL during each of the last three years are as under:-

Name of PSU	2010-11	2011-12	2012-13
SAIL	1575	2173	3601
RINL	662	497	405

For encouraging value addition and growth of steel sector, Government has increased export duty on iron ore from 20% to 30%. Similarly, export duty on chrome ore has been raised from Rs.3000/- per tonne to 30% ad valorem and import duty on flat steel has been increased from 5% to 7.5%. Besides modernisation and expansion of existing plants of SAIL and RINL, NMDC Limited is already setting up a 3 mtpa green field Integrated Steel Plant at Nagarnar, District - Bastar, Chhattisgarh. All such measures would lead to generation of employment in the steel sector. Necessary policy already exists for public sector steel plants to provide employment to local population as far as the same is considered necessary in public interest.