

**Impact of demonetization on jobs**

\*144. SHRI DEREK O'BRIEN: Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether demonetization has affected jobs in the organised and unorganised sectors, if so, the details thereof;

(b) whether the Ministry has taken any steps to protect workers in the unorganised sector from losing jobs due to low circulation of cash since 8th November, 2016; and

(c) whether the Ministry has recorded any trends such as reverse migration due to demonetization since 8th November, 2016?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI BANDARU DATTATREYA): (a) to (c) Reliable estimates of employment and unemployment are obtained through labour force surveys conducted by National Sample Survey Office (NSSO), Ministry of Statistics and Programme Implementation. As per survey results, the estimated worker population ratio was 39.2% and 38.6% during 2009-10 and 2011-12 respectively and unemployment rate during these period was 2.0% and 2.2%. Further as per the survey results of Labour Bureau, the estimated Worker Population Ratio for persons aged 15 years and above on usual status basis was 53.7% during 2013-14 and 50.7% during 2015-16 and unemployment rate was 3.4% and 3.7% during these periods.

To assess the effect of economic slowdown on employment in India since January, 2009, Labour Bureau, Ministry of Labour and Employment, has been conducting Quarterly Quick Employment Surveys in the selected labour-intensive and export-oriented sectors namely textiles including apparels, metals, gems and jewellery, automobiles, transport, IT/BPO, leather and handloom/power loom.

The coverage of the Quarterly Quick Employment Survey has since been enhanced during 2016 with more industries/sectors and as per the results of the Survey during 2016, the net addition of jobs during the quarter ending September, 2016 over the quarter ending June, 2016 was 0.77 lakh workers.

The Government has taken several steps for enhancing financial inclusion and reinforcing minimum wages to workers along with associated social security benefits. It has organised several camps for opening of bank accounts of labourers for payment of wages. The number of camps organised by the Ministry is around 1.51 lakhs and over 49.7 lakh bank accounts of labourers have been opened to facilitate payment of wages. Migration of labour for employment purposes is a

regular phenomenon of the Indian labour market and though regular migration data is not available, the interests of migrant workers are protected by the Inter-State Migrant Workmen Act, 1979.

**Contribution of manufacturing sector to the GDP**

\*145. SHRIMATI RAJANI PATIL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the current contribution of the manufacturing sector to the country's GDP;
- (b) whether Government is taking any steps to spur the manufacturing sector, which can lead to massive rural employment generation;
- (c) if so, the details thereof, including the impact of the same on rural employment over the last three years; and
- (d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) As per the Second Advance Estimates given by CSO, contribution of manufacturing sector to the GDP is estimated to be 14.9% during 2016-17 (at current prices, 2011-12 series).

(b) The Government has been taking various initiatives through different Ministries/ Departments to promote manufacturing sector and employment, including in rural areas. These *inter alia*, include the following:

- (i) Make in India initiative aims to make India a hub for manufacturing, design and innovation. It focusses on infrastructure, simplified processes, job creation, skill development and fostering innovation in select thrust sectors.
- (ii) Startup India initiative aims to build a strong eco-system for nurturing innovation and Startups in the country to drive sustainable economic growth and generate large scale employment opportunities.
- (iii) Significant changes have been made in the FDI Policy regime to ensure that India remains attractive and an investor friendly destination. Government has put in place a comprehensive FDI Policy regime, bringing more activities under automatic route, increasing sectoral caps, and easing conditionalities.
- (iv) To ensure availability of state of art physical infrastructure for the industry, the Government is building industrial corridors along the dedicated freight corridors. In addition, focus is on strengthening existing infrastructure in roads, railways, ports and waterways across the country.