

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 1371**

TO BE ANSWERED ON 28TH JULY, 2022

LABOUR FORCE PARTICIPATION RATE IN THE COUNTRY

1371. SHRI SUJEET KUMAR :

SHRI TIRUCHI SIVA:

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

- (a) whether Government has taken cognizance of the extremely low Labour Force Participation Rate (LFPR) in the Country;**
- (b) if so, the details thereof, including the urban/rural-wise and gender-wise statistics for the last five years;**
- (c) whether Government has plans to undertake any special comprehensive study to identify reasons for the same, and the ill-effects of the pandemic on structural changes that have occurred in the labour market; and**
- (d) the steps taken by Government to maintain the LFPR, including the status of the implementation of the Labour Codes?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SHRI RAMESWAR TELI)**

(a) to (d): The official data on Employment and Unemployment is collected through Periodic Labour Force Survey (PLFS) conducted by the Ministry of Statistics & Programme Implementation (MoSPI) since 2017-18. The survey period is July to June of next year. As per the available Annual PLFS Reports, the year-wise Labour Force Participation Rate (LFPR) on usual status for persons of age 15 years and above during 2017-18 to 2020-21 are given below:

| Years | Male | Female | Total |
|------------------|-------------|---------------|--------------|
| Rural | | | |
| 2017-18 | 76.4 | 24.6 | 50.7 |
| 2018-19 | 76.4 | 26.4 | 51.5 |
| 2019-20 | 77.9 | 33.0 | 55.5 |
| 2020-21 | 78.1 | 36.5 | 57.4 |
| Urban | | | |
| 2017-18 | 74.5 | 20.4 | 47.6 |
| 2018-19 | 73.7 | 20.4 | 47.5 |
| 2019-20 | 74.6 | 23.3 | 49.3 |
| 2020-21 | 74.6 | 23.2 | 49.1 |
| All India | | | |
| 2017-18 | 75.8 | 23.3 | 49.8 |
| 2018-19 | 75.5 | 24.5 | 50.2 |
| 2019-20 | 76.8 | 30.0 | 53.5 |
| 2020-21 | 77.0 | 32.5 | 54.9 |

Source: PLFS, MoSPI

The PLFS data indicates that in general, the labour force participation rate has an increasing trend.

As per the Quarterly Periodic Labour Force Survey (PLFS) report for urban sector released by the Ministry of Statistics & Programme Implementation (MOSPI), during the COVID-19 pandemic, the urban labour market was adversely impacted. The unemployment rate for urban sector rose to 20.8% during April-June, 2020. With the revival of economy in the subsequent quarters of 2020-21 and 2021-22, the labour market indicators showed a swift recovery. As per the latest quarterly report of PLFS (January-March, 2022) for urban sector, the Unemployment Rate for age 15 years and above at Current Weekly Status (CWS) declined to 8.2%, indicating the revival of economy.

Employment generation coupled with improving employability is the priority of the Government. Accordingly, the Government of India has taken various steps for generating employment in the country. The Government of India has announced Aatmanirbhar Bharat package to provide stimulus to business and to mitigate the adverse impact of Covid 19. Under this package, the Government is providing fiscal stimulus of more than Rupees Twenty Seven lakh crore. This package comprises of various long term schemes/ programmes/ policies for making the country self-reliant and to create employment opportunities.

The Aatmanirbhar Bharat Rojgar Yojana (ABRY) was launched with effect from 1st October, 2020 to incentivize employers for creation of new employment and restoration of loss of employment during Covid-19 pandemic. The terminal date for registration of beneficiaries was 31.03.2022. As on 13.07.2022 benefits have been provided to 59.54 lakh beneficiaries.

Pradhan Mantri Mudra Yojana (PMMY) is being implemented by the Government for facilitating self-employment. Under PMMY, collateral free loans upto Rs. 10 lakh, are extended to micro/small business enterprises and to individuals to enable them to setup or expand their business activities. Upto 08.07.2022, 35.94 crore loans were sanctioned under the scheme.

Budget 2021-22 launched Production Linked Incentive (PLI) schemes, with an outlay of Rs. 1.97 lakh crore, for a period of 5 years starting from 2021-22. The PLI Schemes being implemented by the Government have potential for creating 60 lakh new jobs. All these initiatives are expected to collectively generate employment in the medium to long term through multiplier-effects.

PM GatiShakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways and Logistics Infrastructure. This approach is powered by Clean Energy and Sabka Prayas leading to huge job and entrepreneurial opportunities for all.

Government is implementing Prime Minister Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi Scheme) since June 01, 2020 to facilitate collateral free working capital loan to street vendors to restart their businesses, which were adversely impacted during the Covid-19 pandemic. As on July 11, 2022, 33.34 lakh loans amounting to ₹3,615 Crore have been disbursed to 30.26 lakh beneficiaries under the scheme.

The Government of India is encouraging various projects involving substantial investment and public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Pt. Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) and Deen Dayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) etc. for employment generation.

Further, the Ministry of Skill Development and Entrepreneurship (MSDE) is implementing the National Apprenticeship Promotion Scheme (NAPS) and Pradhan Mantri Kaushal Vikas Yojana (PMKVY) to enhance the employability of youth.

Besides these initiatives, various flagship programmes of the Government such as Make in India, Start-up India, Stand-up India, Digital India, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation, Housing for All etc are also oriented towards generating employment opportunities.

“Labour” as a subject is in the Concurrent List of the Constitution of India and under the four Labour Codes, namely, the Code on Wages, 2019; the Industrial Relations Code, 2020 (IR Code); the Code on Social Security, 2020 (SS Code) and the Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code), the power to make rules is vested with Central Government as well as State Governments as appropriate Government. As a step towards implementation of the four Labour Codes, the Central Government has pre-published the draft Rules.
