

**GOVERNMENT OF INDIA
LABOUR
LOK SABHA**

UNSTARRED QUESTION NO:999

ANSWERED ON:28.07.2003

IMPACT OF DISINVESTMENT AND CLOSURE OF UNITS

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Will the Minister of LABOUR be pleased to state:

- (a) whether unemployment has increased due to slow industrial development as a result of economic recession, disinvestment and closing down of small scale industrial units;
- (b) if so, the action taken to create more jobs to safeguard the interest of the workforce ; and
- (c) the steps taken by the Government to ensure investment of certain amount of earnings from disinvestment for creating employment opportunities?

Answer

MINISTER OF STATE FOR LABOUR & PARLIAMENTARY AFFAIRS (SHRI SANTOSH GANGWAR)

- a) National Sample Survey Organisation (NSSO) survey results for the year 1993-94 and 1999-2000 show a marginal increase in unemployment as per usual status approach. The increase is primarily due to the fact that the growth of employment in the economy was not in tune with the growth of labour force.
- b) A Special Group headed by Dr. S.P.Gupta, Member, Planning Commission was constituted for targeting 50 million employment opportunities during the 10th Plan period. The recommendation of the Special Group have been considered for implementation during the 10th Plan period.
- c) As announced by the Finance Minister in the Budget Speech for the year 2001-2002, the proceeds from disinvestments are to be utilized for providing restructuring assistance to PSUs, safety net to workers, reduction of debt burden and as an additional budgetary support for the Plan, primarily in the social and infrastructure sectors.