

**LABOUR MARKET INDICATORS SHOW
SUBSTANTIAL IMPROVEMENT IN LAST FEW
YEARS: ECONOMIC SURVEY 2024-25**

**UNEMPLOYMENT RATE REDUCED TO 3.2 PER
CENT IN 2023-24 FROM 6 PER CENT IN 2017-18**

**FEMALE LABOUR FORCE PARTICIPATION RATE
INCREASED FROM 23.3 PER CENT IN 2017-18 TO
41.7 PER CENT IN 2023-24**

**OVER 30.51 CRORE UNORGANISED WORKERS
REGISTERED ON E-SHRAM PORTAL; 12
SCHEMES INTEGRATED/MAPPED WITH E-
SHRAM**

**ECONOMIC SURVEY ADVOCATES ENABLING
LABOUR REGULATIONS ENVIRONMENT FOR
SUPPORTING BUSINESS GROWTH, CREATING
EMPLOYMENT AND PROMOTING ECONOMIC
DEVELOPMENT**

**FINANCIAL SUPPORT, TRAINING AND
MENTORSHIP FOR PROMOTING WOMEN
ENTREPRENEURSHIP**

DIGITAL ECONOMY AND RENEWAL ENERGY SECTOR TO PROVIDE ENHANCED JOB CREATION OPPORTUNITIES

GOVERNMENT ESTABLISHING A RESILIENT AND RESPONSIVE SKILLED ECOSYSTEM

Posted On: 31 JAN 2025 2:49PM by PIB Delhi

Driven by robust post-pandemic recovery and increased formalisation, labour market indicators in India have improved substantially in the last few years. As per Periodic Labour Force Survey (PLFS), the unemployment rate in India has dropped significantly and labour force participation and the worker population ratio have shown considerable improvements. Additionally, sectors like the digital economy and renewable energy offer vast potential for creating high-quality jobs, which is essential for achieving the Viksit Bharat's vision. This was stated by Economic Survey 2024-25 tabled by Union Minister of Finance and Corporate Affairs, Smt. Nirmala Sitharaman in Parliament today.

Key indicators of labour market are:

- The Unemployment Rate (UR), for individuals aged 15 years and above, has steadily declined from 6 per cent in 2017-18 to 3.2 per cent in 2023-24.
- Net additions to EPFO subscriptions have more than doubled, rising from 61 lakh in FY19 to 131 lakh in FY24, indicating the formalization of job market.
- Nearly 61 per cent of net payroll addition came from less than 29 years of age indicating that new jobs in the organised sector are going to the youth.
- The proportion of self-employed workers in the workforce has risen from 52.2 per cent in 2017-18 to 58.4 per cent in 2023-24 which reflects the growing entrepreneurial activity and preference for flexible work arrangements.
- The decline in casual workers, from 24.9 per cent to 19.8 per cent, also indicates a shift toward more structured forms of self-employment.
- Annual Survey of Industries (ASI) results for the FY23 shows more than 7 per cent increase in employment over the previous year. This translates into an addition of over 22 lakh jobs in FY 23 over FY 19 (pre-pandemic level).
- Female Labour Force Participation Rate (FLFPR) has increased from 23.3 per cent in 2017-18 to 41.7 per cent in 2023-24. This shows enhanced participation of women in economic activities across various categories, including rural and urban.

Initiatives such as Mudra Yojana, Skill India, Start-Up India, and Stand-Up India have played a pivotal role in fostering entrepreneurship, providing skill training, and supporting individuals in creating self-reliant and sustainable livelihoods.

Employment and Skill Development

ECONOMIC SURVEY 2024-25

India's new Labour Codes will promote gender inclusivity, workplace safety, and social security for women

- › Labour laws intended to protect the rights of women workers have often discouraged hiring by creating systemic barriers to their entry into the workforce
- › India's new Labour Codes address this by enabling night shifts for women, with safety measures, extending 26 weeks of maternity leave to gig and informal workers and mandating creche facilities in workplaces with 50 or more employees
- › The Codes ensure equal pay and prohibit gender discrimination in recruitment, while allowing women to work in all sectors, including hazardous roles, with safeguards

3/4

PIB India | PIB India | PIB India | PIB India | PIB India | PIB India

Promoting Women Entrepreneurs for Economic Growth:

Economic Survey mentions that the growing participation of women in entrepreneurship can propel the country towards higher levels of development by tapping into their latent potential to contribute to economic activities. To give a fillip to women's entrepreneurship, the government has launched several initiatives in terms of easier access to credit, marketing support, skill development, support to women start-ups, etc.

Schemes and initiatives like PM Employment Guarantee Programme, SANKALP, PM Micro Food Processing scheme, Adivasi Mahila Sashaktikaran Yojana, Swayam Shakti Sahakar Yojna, DAY-NRLM etc. are promoting women-led enterprises by offering women entrepreneurs financial support, training, and mentorship, empowering them to start and scale their businesses.

Balancing Profitability and Wage Growth:

Economic survey notes that while corporate profitability soared to a 15-year peak in FY24, wages have lagged.

The disproportionate rise in corporate profits—predominantly among large firms—raises concerns about income inequality, Economic Survey adds. Sustained economic growth hinges on bolstering employment incomes, which directly fuel consumer spending, spurring investment in production capacity.

It further says that to secure long-term stability, a fair and reasonable distribution of income between capital and labour is imperative. It is essential for sustaining demand and supporting corporate revenue and profitability growth in the medium to long run.

Welfare of Unorganised Workers:

The eShram portal, was launched on 26 August 2021 to register and support unorganised workers by providing them with a Universal Account Number (UAN) and for the creation of a comprehensive National Database of Unorganised Workers (NDUW). As of 31 December 2024, over 30.51 crore unorganised workers have already registered on the eShram portal.

eShram– “One-Stop-Solution” was launched on 21st October 2024, which entails the integration of different

social security/ welfare schemes on a single portal, i.e., eShram. This enables unorganised workers registered on eShram to access social security schemes and see benefits availed by them so far through eShram. So far, 12 schemes of different central ministries/departments have been integrated/mapped with eShram.

Flexible Labour Regulations for Employment Growth:

Economic Survey advocates for fostering an enabling labour regulations environment that supports business growth, creates employment and promotes economic development. It says that by promoting flexible working hours and removing restrictions on the number of overtime hours workers can perform and the overtime wages they can earn, it can lead to growth for firms, creating more employment opportunities. It will also safeguard labour rights and allow workers to increase their earnings.

Potential Sectors for Jobs Creation:

Economic survey notes that the growing digital economy and renewal energy sector are providing enhanced opportunities for job creation. Both these sectors offer immense potential to increase employment, especially opening opportunities for the women and thereby leading to their financial independence and empowerment.



Skill Development: Upskilling, Reskilling & New Skilling

Economic survey states that the government is establishing a resilient and responsive skilled ecosystem to keep pace with emerging global trends such as automation, generative AI, digitalisation, and climate change.

According to the PLFS data, there is a strong link between educational attainment, occupational roles, and income levels. Due to the government's continuous efforts through its various initiatives, there is a significant improvement in the proportion of skilled people from 2018-19 to 2023-24 across all socio-economic classifications. Some of prominent initiatives include:

- Over 1.57 crore persons trained and over 1.21 crore persons certified under various components of Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
- Over 1.24 crore persons enrolled under the Craftsmen Training Scheme at Industrial Training Institutes (ITIs).
- Over 27 lakh people have been trained, and over 26 lakh have been certified under Jan Sikshan Sansthan (JSS).
- 11.79 lakh artisans have been imparted basic skill training in 3,145 Skill centers, spanning 559

districts under PM Vishwakarma.

- A total of 37.94 lakh apprentices have been engaged from 2016- 17 to 2024-25 (up to 31 October 2024).
- 20 lakh youth to be skilled over a five year period and 1,000 ITIs to be upgraded in hub and spoke arrangement under new ITI upgradation scheme announced in Union Budget 2024

The skilling strategy needs to adopt a layered approach to address diverse industry demands and workforce needs effectively. This new approach could include skills tailored for specific tasks or job roles, targeted at selected groups of workers, and foundational AI skills provided universally to everyone and across all sectors. By aligning these skill tiers with the aspirations and needs of workers, the strategy can better prepare the workforce for a dynamic job landscape with changing demands. The tiered approach allows for training cost-effectively.

Economic Survey mentions that for creating industry-ready workforce, initiatives like internships in companies (PM Internship Scheme) and public-private partnership for skill development and vocational training will go a long way. Additionally, by creating a skilling ecosystem with a high-quality, globally competitive workforce, India can enhance employability for youth in global job markets.

NB/AD/VM/HP/NBJ

(Release ID: 2097939)