

Q. Post liberalisation, country witnessing increasing share of industry and service sector in national income w/o increase in employment share. Do you agree? Give reasons in your favour? (150w)

At present, Manufacturing and service sector employ ~~29~~<sup>17</sup> % and 29 % of the population respectively.

The % of same in Agriculture is 40 %.

Post liberalisation era, did many good things for the economy such as:-

(.) Brought down unemployment rate

(.) Brought down poverty rate (from 45 % to 21 % in 2001 as per tendulkar committee report)

(.) Increased India's GDP (2.8 TD. at present)

However, the Growth has been characterised as Jobless.

There are various reasons:-

(.) Disguised unemployment →

Intro  
ok  
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# UPSC

Use only  
सिर्फ अभ्यास  
के लिए

Question No.

प्रश्न संख्या

15 words  
To write points only  
need to describe  
Add - capital intensive industrialization  
insufficient credit  
Investment in employment  
Intensive informal sector

People working in Agriculture.  
Their marginal productivity is zero.  
(\*) Regional inequality → Even till present, there are very less startups in NE region due to lack of awareness (literacy rate - census 2011-59%), infrastructure.

(\*) Female labour force participation has been coming down. At present 21%. Various reasons are patriarchy, attaining higher education etc.  
(\*) Government Policies → labour laws, Ease of doing business, less suitable atmosphere for investment.

Suggestions →

4%  
1%

Govt efforts  
Startup India, Stand up India, Make in India, Mudra loan scheme, PM Rejgar Pratsahan Yojana etc.

Needs - to be done  
(\*) labour intensive production needs to be encouraged  
(\*) Subsidies, incentives to manufacturing units.

Conclusion

It's PM's goal to attain 25% of GDP must come from mfg/servia sector by 2022. For that enough jobs must be created.