

India needs 8.1 million jobs a year, says WB

India needs to create 8.1 million jobs a year to maintain its employment rate, according to a World Bank report which projected the country's growth to accelerate to 7.3% in the current financial year. It also projected the growth rate to increase further to 7.5% in the following two years.

In its twice-a-year South Asia Economic Focus (SAEF) titled 'Jobless Growth?', the bank also said India had recovered from the withdrawal of large denomination bank notes in November 2016 and the Goods and Services Tax (GST), rolled out on July 1, 2017.

"[India's] growth is expected to accelerate from 6.7% in 2017 to 7.3% in 2018 and to subsequently stabilise supported by a sustained recovery in private investment and private consumption," it said.

'Expedite investments'

The report projected India's growth to further accelerate to 7.5% in 2019-20 and 2020-21 and said New Delhi should strive to accelerate investments and exports to take advantage of recovery in global growth.

"Every month, the working age [population] increases by 1.3 million people and India must create 8.1 million jobs a year to maintain its employment rate, which has been declining based on employment data analysed from 2005 to 2015, largely due to women leaving the job market," it said.

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