

DECENT WORK AND
ECONOMIC GROWTH



SDG 8: DECENT WORK AND ECONOMIC GROWTH

**SUSTAINABLE DEVELOPMENT
GOALS**

INTRODUCTION

- Despite gains in human development, narrowing gap of per capita income between high-and lower-income countries and improvements in labour productivity; only limited success has been achieved globally on most of the SDG 8 targets.
- Challenges, such as improving access to financial services and resource efficiency in consumption, increasing employment opportunities, especially for the young workforce, reducing informal employment, labour market inequalities, gender discrimination, and promoting safe and secure working environment; persist across countries.
- Globally, real GDP per capita grew by 1.9 per cent in 2018. While this indicates an improvement in living standards, growth in the Least Developed Countries (LDCs) has not been up to the mark. Labour productivity, measured as GDP per employed person, has also risen globally in 2018, by 2.1 per cent. Unemployment worldwide has been dropping and stood at 5 per cent in 2018. While the SDG target aims at 7 per cent growth rate per annum for LDCs; the achievement has been limited to 4.8 per cent between 2010 and 2018.

TARGET

- SDG 8 seeks to achieve higher economic productivity and job creation through diversification and innovations in technology, while at the same time protecting labour rights and promoting a safe and secure working environment. It also aims to eradicate forced labour, human trafficking, and child labour.


INDIAN PRESPECTIVE

- With one person out of every six on the planet living in India, the country has the potential to be the engine of global economic progress.
- India, with a growth rate of 6.8 per cent in 2018-19, is recognised as one of the fastest-growing large economies in the world.
- The size of the Indian economy, in 2018-19, is estimated to be US\$ 2.72 trillion with a per capita income of \$2,015 (in current terms) for 2018.
- It aspires to become a US\$ 5 trillion economy by 2025. Sustained economic growth has helped lift millions out of poverty over the past few decades. 271 million persons escaped multidimensional poverty just between 2006 and 2016.

FACTS

49.80%

LABOUR FORCE
PARTICIPATION RATE
(15 YEARS+)



5.66%

Annual growth rate
of NDP per capita
at constant price

99.99%

households in the
country have bank
accounts



6%

UNEMPLOYMENT RATE

INDIA'S EASE OF DOING BUSINESS
DISTANCE TO FRONTIER
SCORE IN 2020 - 71.0

RANK 63






53%

PRADHAN MANTRI JAN
DHAN YOJANA ACCOUNTS
ARE HELD BY WOMEN

ACTION TAKEN


- Start-Up India is a flagship scheme of the Government of India launched to nurture innovation and start-ups in the country, aimed at driving economic growth and generating large-scale employment opportunities. Some of the features of this scheme relate to the simplification of procedures and funding support.
- The Micro Units Development and Refinance Agency (MUDRA) scheme provides financial support to the small and micro-enterprise sector. Launched in 2015, it aims to ease credit constraints by extending institutional finance to such small business entities.

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- Introduced in 2014, the Make in India initiative focuses on strengthening the country's manufacturing sector by attracting investment from across the globe. Making regulatory processes simple and more transparent, and eliminating obsolete laws and regulations, it has helped raise India's place in the Ease of Doing Business Index.
 - Skill India launched in 2015, focuses on short-term vocational-education programmes and seeks to create a minimum of 400 million skilled people by 2022 .
 - The enactment of the Insolvency and Bankruptcy Code, 2016 by the Parliament to simplify procedures related to debt default, and consolidate laws related to insolvency of companies, limited liability entities, unlimited-liability partnerships and individuals will boost entrepreneurship and credit-availability.

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- In 2017, the Goods and Services Tax Act came into force as a multi-stage, destination-based tax that is levied on every value-addition and has replaced a large number of indirect taxes at both the Centre and State level.
 - The Government has taken critical steps for creating an enabling environment for women to participate in the economy.
 - This includes the enactment of the Maternity Benefit (Amendment) Act, 2017 which enhanced the paid maternity leave from 12 weeks to 26 weeks and provisions for mandatory crèche facility in the establishments having 50 or more employees.

CHALLENGES

- There is a pressing need to increase agricultural productivity due to its poor performance, and create alternative channels of employment so that many of those currently employed in agriculture can obtain better opportunities of work.
- India's literacy rate of 74 per cent leaves considerable room for improvement. In 9 States/UTs, the literacy rate is less than 70 percent. The drop-out rate in secondary education is close to 20 per cent. A population with minimum educational proficiency is necessary to tap into the benefits of increased employment opportunities.

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- Approximately 85 per cent of India's workers are employed in the unorganised sector and more than 90 per cent in informal employment. Such employment is not covered under the majority of the labour laws, and these workers consequently lack access to benefits like safety standards and minimum wage.
 - There were 10.1 million child workers under the age of 14—with significant disparities across states. Nationally, the percentage of working children fell from 5 per cent in 2001 to 3.9 per cent in 2011.
 - The target of promoting job-creation and entrepreneurship is yet to be fully realised. Further, stabilisation of the GST regime, reforms in the Insolvency and Bankruptcy Code, stimulating the export and the manufacturing sector to retain a consistent rate of growth, robust financial and infrastructure sector performance remain some of the persistent issues of focus for achieving the goal of USD 5 trillion economy by 2025.

CONCLUSION

- Economic growth -making our world more prosperous – is inextricably linked to all our other priorities. Stronger economies will afford us more opportunities to build a more resilient and sustainable world.
- Economic growth must be inclusive: growth that does not improve the wellbeing of all sections of society, especially the most vulnerable, is unequal and unfair.
- 'No one left behind' is at the core of the sustainable development agenda for 2030 and if economic growth is to build a fairer world, it must be inclusive. This is the idea behind Goal 8, which aims to sustain an economic growth rate of 7% for the least developed countries by 2030, and achieve full and productive employment for all men and women everywhere in the next 15 years