

ASSOCHAM highlights slowdown of Punjab economy in 10 years

State's overall economic growth rate had plunged to its lowest of 4.9 per cent in 2014-15

EXPRESS NEWS SERVICE
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THE ASSOCIATED Chambers of Commerce and Industry of India aka ASSOCHAM released a paper on Wednesday, highlighting Punjab's slow economic growth in the past 10 years along with its dismal performance in service as well as agriculture sectors.

The paper, titled 'Action agenda for new government of Punjab', says the state's overall economic growth rate reached its lowest level of 4.9 per cent in 2014-15 from 10.2 per cent in 2006-07. A marginal improvement was witnessed in 2015-16, when it increased to 5.96 per cent compared to the previous year but Punjab's contribution to India's economy has declined from 3.3 per cent in 2004-05 to 2.9 per cent in 2015-16.

Spelling out the dismal situation in the agriculture sector, which has remained the engine of economic growth in Punjab, the ASSOCHAM paper says the sustainability of growth in the agriculture sector is under question. The sector has registered a compound annual growth of 1.6 per cent from 2004-05 to 2014-15 that is worse than all of India. "On the one side, the agriculture sector is turning less remunerative compared to the early green



The agriculture sector has registered a compound annual growth of 1.6 per cent from 2004-05 to 2014-15, which is the worst in India. *Express*

revolution period and on the other, natural resource constraint such as degradation of soil health and dramatically falling underground water table is increasingly becoming more severe," it says.

The paper also highlighted that the services sector growth rate has increased from 6.6 per cent in 2005-06 to reach its peak level of 11.8 per cent in 2011-12, recording a downfall thereafter. In 2015-16, service sector gross value added growth rate is 6.3 per cent, the paper added.

"As of 2015-16, the state has

attracted Rs 1.98 lakh crore outstanding investments and recorded a sharp deceleration over the years. The state's outstanding investment growth rate has declined from the peak level of 91 per cent in 2007-08 to -10.5 per cent in 2015-16. ASSOCHAM suggests that the newly formed government must look at this on priority basis which will help accelerate investment activities in the state as well as encourage private sector to invest in the state," the paper says.

"The state has potential for agriculture and its allied sector

but the sector growth rate has recorded significant deceleration. Though the service sector has been the largest contributor of the state economy, the last four years have witnessed significant moderation in its growth rate as well. Therefore, it is necessary that the state concentrates on the corrective measure to revive the sectors. The government must also ensure that growth is job-augmenting, rural-oriented and participatory in nature," noted the paper.

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ate over 11 lakh additional jobs from the current workforce of about 18.5 lakh in the age group of 15-30 years to attract more investment and attain double-digit growth in the course of next five years.

The paper points out that Punjab is the eleventh-largest state in India in terms of number of unregistered MSMEs (Micro Small and Medium Enterprise) and the tenth-largest state in terms of registered MSMEs. The state's unregistered MSMEs account for 4.9 per cent of India's unregistered MSMEs and registered MSMEs account for 3.08 per cent of India's MSMEs. The MSME industry generates significant employment opportunities in Punjab. Unregistered MSMEs generate 14.16 lakh jobs and registered MSMEs 4.16 lakh, highlighted the paper.

Create 11 lakh new jobs in five years to reinvigorate Punjab economy: ASSOCHAM

PNS ■ CHANDIGARH

Punjab holds significant potential to create over 11 lakh additional jobs from the current workforce of about 18.5 lakh between the age of 15-30 years to attract more investments and attain double digit growth during the course of next five years, industry body ASSOCHAM said on Wednesday.

The Associated Chambers of Commerce and Industry of India (ASSOCHAM) Special Task Force on Punjab has formulated a "Sustainable Action Plan" to achieve double digit growth on a sustainable basis to help the State to become one of the front ranking States in the country.

According to the paper, about 18.5 lakh people are already a part of the workforce between the age group of 15-30 years. The current level of workforce participation rate stands at 35.7 per cent and to achieve a similar rate an additional 11 lakh jobs will need to be created in the next five years.

The effective implementation of the investment projects holds key to growth of industry sector that will in turn help in creating lakhs of fresh job opportunities for 35.7 per cent of youth population that forms the workforce in the State."

"The State has potential for agriculture and allied sector but the sector growth rate has recorded significant deceleration. The service sector has been the largest contributor of the State economy but last four years have witnessed significant moderation in its growth rate as well. Therefore, it is necessary that State concentrates on the corrective measure to revive the sectors. The Government must also ensure that growth is job-augmenting, rural-oriented and participatory in nature," noted the paper titled 'Action agenda for new Government of Punjab,' that was released by ASSOCHAM in Chandigarh on Wednesday.

Punjab needs to create more jobs

STATESMAN NEWS SERVICE

Chandigarh, 11 January

At a time when all major political parties in Punjab are claiming to have curbed unemployment, a study conducted by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) today said the state needs to create over 11 lakh additional jobs from the current workforce of about 18.5 lakh between the age group of 15 and 30 years to attract more investment and attain double-digit growth in next the five years.

The study titled as 'Action Agenda for New Government of Punjab' has been conducted just before the Punjab Assembly election to be held on 4 February. ASSOCHAM's Special Task Force on Punjab has formulated a 'Sustainable Action Plan' to achieve double-digit growth on a sustainable basis to help the state become one of the front ranking states in the country.

Sharing details, Dalip Sharma, director, ASSOCHAM, said that about 18.5 lakh people are already a part of the workforce between the age group of 15-30 years. The current level of workforce participation

stands at 35.7 per cent and to achieve a similar rate, additional 11 lakh jobs needs to be created in the next five years.

"The effective implementation of the investment project holds key to growth of the industry sector that will in turn help create lakhs of fresh job opportunities for 35.7 per cent of youth population that forms the workforce in the state", he said.

The study also highlighted that as in 2015-16, the state has attracted Rs 1.98 lakh crore outstanding investments and recorded a sharp deceleration over the years. The state's outstanding investment growth rate has declined from peak

level of 91.0 per cent in 2007-08 to 10.5 per cent in 2015-16.

In the study, ASSOCHAM suggested the newly formed government must look at this on priority basis which will help accelerate investment activities in the state as well as encourage private sector to invest in the state. The state's overall economic growth rate reached its lowest level from 10.2 per cent in 2006-07 to 4.9 per cent in 2014-15.

In 2015-16, it witnessed a marginal improvement in its overall economic growth to 5.96 per cent as compared to the previous year. The state's contribution to India's economy has declined to 2.9 per cent in 2015-16.

Punjab has potential to create over 11 lakh jobs: ASSOCHAM

CHANDIGARH, JAN 11

Action Agenda for New Government of Punjab', apex industry body ASSOCHAM, the Associated Chambers of Commerce and Industry of India said here today that Punjab holds significant potential to create over 11 lakhs additional jobs from the current workforce of about 18.5 lakhs between the age of 15-30 years to attract more investments and attain double digit growth during the course of next five years. Sharing details, Dalip Sharma, Director, ASSOCHAM informed, "According to the paper, about 18.5 lakhs people are already a part of the workforce between the age group of 15-30 years. The current level of workforce participation rate stands at 35.7 percent and to achieve a similar rate additional 11 lakhs jobs will need to be created in the next five years.

The effective implementation of the investment projects holds key to growth of industry sector that will in turn help in creating lakhs of fresh job opportunities for 35.7 per cent of youth population that forms the workforce in the state." As on 2015-16, the state has attracted Rs. 1.98 lakh crore outstanding investments and recorded a sharp deceleration over the years. The state's outstanding investment growth rate has declined from the peak level of 91.0 percent in 2007-08 to -10.5 percent in 2015-16. ASSOCHAM suggest that the newly formed government must look at this on priority basis which will help accelerate investment activities in the state as well as encourage private sector to invest in the state. As per the paper, Sharma said, "The state has potential for agriculture and allied sector but the sector growth rate has recorded

significant deceleration. The service sector has been the largest contributor of the state economy but last four years have witnessed significant moderation in its growth rate as well. Therefore, it is necessary that state concentrates on the corrective measure to revive the sectors. The government must also ensure that growth is job-augmenting, rural-oriented and participatory in nature." The state's overall economic growth rate reached its lowest level from 10.2 percent in 2006-07 to 4.9 percent in 2014-15. In 2015-16, it witnessed a marginal improvement in its overall economic growth to 5.96 percent as compared to previous year growth rate. The state's contribution to India's economy has declined from 3.3 percent in 2004-05 to 2.9 percent in 2015-16. The services sector growth rate has increased from 6.6

percent in 2005-06 to reach its peak level of 11.8 percent in 2011-12 thereafter it has recorded a downfall. In 2015-16, service sector gross value added growth rate is 6.3 percent, adds the paper. Punjab is the eleventh largest state in India in terms of number of unregistered MSMEs (Micro Small and Medium Enterprise) and tenth largest state in terms of registered MSMEs. The state's unregistered MSMEs account for 4.9 percent of

India's unregistered MSMEs and registered MSMEs account for 3.08 percent of India's MSMEs. The MSMEs industry generates significant employment opportunities in Punjab. Unregistered MSMEs industry generates 14.16 lakh employments and registered MSMEs industry generates 4.16 lakh employments, highlights the paper.