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*General*

## **Labour-intensive sectors to get more help: Pranab**

NEW DELHI: Fearing further moderation in economic growth in the next fiscal, the Government on Friday said it would take more steps to boost the labour-intensive sectors.

"As next year's outlook is more downbeat... the Government will take further steps to ensure that the labour-intensive sectors are less adversely affected," External Affairs Minister Pranab Mukherjee, who is currently holding charge of the finance portfolio, said while addressing a conference on financial crisis.

He further said despite the global economic downturn, India's economy is expected to grow at 7 per cent in 2008-09, after recording an average growth rate of 9 per cent for the last five years. The Government, the minister pointed out, has already taken a "number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand".

Referring to the need of a regional mechanism to prevent deepening of the crisis, the minister said, "We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand". - PT I

## Govt will take more steps to support labour intensive sectors

6 Feb 2009, 19:25 hrs IST, Gireesh, ET Bureau

NEW DELHI: Minister for External Affairs Pranab Mukherjee, who holds the finance portfolio, promised on Friday that the government will take more

steps to support labour intensive sectors and emphasised that the Gandhian model economy with a rural focus was the need of the hour. Mr Mukherjee said the government expects that despite the global economic downturn, the economy would expand at 7% this fiscal, after recording an average growth rate of 9% for the last five years.

"As the next year's outlook is more downbeat, the government has taken a number of measures to inject liquidity, to bring down the cost of borrowing and to stimulate demand through fiscal measures. When necessary, the government will take further steps to ensure that labour-intensive sectors are less adversely affected," the minister said at a conference on the global economic crisis by Research and Information System for Developing Countries (RIS), a think-tank.

He said the country has the capacity to drive the economy forward on the strength of domestic demand by investing more on infrastructure, labour intensive sectors and on the improvement of the social safety net.

Speaking to reporters later on the margins of the conference, Mr Mukherjee said it was not decided yet as to when some of the measures will be announced. "You will have to wait till I present the budget," he said. The interim budget is due on Feb 16. Home Minister P Chidambaram, who was the finance minister till recently, had said on Thursday that the government would be within its rights to announce new measures, despite ensuing elections.

Mr Mukherjee also said that global financial institutions need to put more resources for developing countries. They have to allocate funds for the rural economy, social infrastructure and local communities. "The resources must be put in institutional capacity-building and skills' development...To me, there is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self-help and sustainable economic development. Anything contrary would be disastrous," said Mr Mukherjee.

## 'Gandhian eco with rural focus, need of hour'

6 Feb 2009, 1151 hrs IST, Gireesh Chandra Prasad, ET Bureau

NEW DELHI: Minister for External Affairs and Finance **Pranab Mukherjee** on Friday promised that the government will take more steps to support labour intensive sectors and emphasised that the Gandhian economy with a rural focus was the need of the hour.

Mr Mukherjee expressed confidence that this year the economy will expand by around 7% despite the global economic downturn. He also said that global financial institutions should pool resources to strengthen local connectivity and the economic upliftment of the poorest.

When asked on the margins of a function organised by **Research and Information System for Developing Countries (RIS)** about measures the government would take in the forthcoming interim budget, he said that "you will have to wait till I present the budget."

**HT Correspondent, Hindustan Times**

New Delhi, February 07, 2009

First Published: 10:04 IST(7/2/2009)

Last Updated: 10:06 IST(7/2/2009)

## More steps in pipeline to support labour-intensive sectors: Pranab

7 Feb 2009, 0155 hrs IST, ET Bureau

NEW DELHI: External affairs minister Pranab Mukherjee, who is looking after the finance portfolio, said on Friday the government will take more steps to support labour-intensive sectors and emphasised that the Gandhian model economy with a rural focus was the need of the hour.

Mr Mukherjee said the government expects that despite the global economic downturn, the economy would expand at 7% this fiscal, after recording an average growth rate of 9% for the last five years.

“As the next year’s outlook is more downbeat, the government has taken a number of measures to inject liquidity, to bring down the cost of borrowing and to stimulate demand through fiscal measures. When necessary, the government will take further steps to ensure that labour-intensive sectors are less adversely affected,” the minister said at a conference by Research and Information System for Developing Countries.

He said the country has the capacity to drive the economy forward on the strength of domestic demand by investing more on infrastructure, labour intensive sectors and on the improvement of the social safety net.

Speaking to reporters after the seminar, Mr Mukherjee said it was not decided yet as to when some of the measures will be announced. “You will have to wait till I present the budget,” he said. The interim budget is due on February 16. Home minister P Chidambaram, who was the finance minister till recently, had said on Thursday the government would be within its rights to announce new measures, despite the ensuing elections.

Mr Mukherjee also said that global financial institutions need to put more resources for developing countries. They have to allocate funds for the rural economy, social infrastructure and local communities. “The resources must be put in institutional capacity-building and skills’ development....To me, there is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self-help and sustainable economic development. Anything contrary would be disastrous,” said Mr Mukherjee.

The government is also pushing for a regional approach to lessen the impact of the economic crisis. Mr Mukherjee said that India is attaching great importance to regional groupings like the South Asian Cooperation, Asean and Saarc. Appreciating Asean for taking steps towards regional economic integration, he said: “A regional financial architecture, drawing upon the high currency balances in Asia, would mitigate the severity of the economic crisis for us.”

He further added that countries in Asia had the capability to push the economy forward by investing in infrastructure and labour-intensive sectors. “We, in Asia, have the capacity to undertake significant contra-

cyclical steps to drive the economy forward on the strength of the domestic demand by investing more on infrastructure, on labour-intensive sectors and on the improvement of the social safety net,’’ he said.

## Gandhism, ever the last refuge

NEW DELHI: With the economic outlook for the next fiscal looking bleak, the Centre is mulling initiating measures that will uplift labour intensive sectors with a tinge of Gandhian economics. "There is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self-help and sustainable economic development. Anything contrary would be disastrous," Pranab Mukherjee, External Affairs Minister, who has been given the additional portfolio of Finance, said on Friday while asserting that despite the global economic downturn, India's economy was expected to grow at seven per cent during the year.

It is estimated that because of the global slowdown, around ten million jobs are likely to be lost in India before the end of March 2009. India has been recording an average growth rate of 9 per cent for the last five years.

"As the next year's outlook is downbeat, the government will take further steps to ensure that labour intensive sectors are less adversely affected," Mukherjee said during the Silver Jubilee conference of the Research and Information System for Developing Countries (RIS).

However, he refused to indicate as to when these measures would be announced. "You will have to wait till I present the budget," Mukherjee said answering queries from the media. Due to be presented on February 16, the interim Budget may or may not have some measures, Chidambaram had said on Thursday, adding that there was no bar on the government constitutionally to include measures in it despite the coming elections.

On the global slowdown, Mukherjee said, "The speed and ferocity of this crisis does not indicate any signs of abating.

There are still no indications as to how it will progress and as to when it will bottom out." He cited the World Economic Outlook's prediction that 2009 would see the lowest world growth since World War II as an indication of things to come, which means that the global economy will practically come to a standstill. Referring to the need of a regional mechanism to prevent deepening of the crisis, Mukherjee said, "We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand." Meanwhile, Commerce Minister Kamal Nath indicated that one more stimulus package was under formulation.

"Some sectors are in difficulty, the RBI should take measures but the government also has limitations, we are still looking at formulating the new stimulus package," he told reporters after meeting with a Finnish business delegation.



External affairs minister Pranab Mukherjee with Asian Development Bank president Haruhiko Kuroda at the High-Level Conference on Financial Crisis, Global Economic Governance and Development, in New Delhi on Friday. ADB said it would step up its lending operations by several billion dollars to help Asian nations tide over the crisis

PTI

## Ask Pak to fulfil commitment: India urges UN

India has called for UN pressure on Islamabad into ensuring the perpetrators of November 26 Mumbai terror attack are brought to justice. Talking to the media persons on the margins of a conference organised by **the Research and Information System (RIS)**, a leading think tank, referring to his meeting with the UN chief Ban Kimoon, external affairs **minister Pranab Mukherjee** said that enough evidence linking Pakistani nationals to the carnage has been given.



External affairs minister  
Pranab Mukherjee

"I had detailed discussions with him in the context of the terror attack and the material we have given to Pakistan," he said.

"I requested the UN secretary general to look into these aspects and ensure that Pakistan fully implements its own commitments which it has given to India and the international community several times," the minister added.

According to reports, the Pakistan prime minister Yousuf Gilani has said that Pakistan's report on its investigation into the Mumbai terror attacks will be made public early next week.

Mukherjee had called on the UN chief here on Thursday and had discussed a host of issues such as international terrorism and the Mumbai terror strikes, apart from some regional issues like violence in Afghanistan and the situation in Myanmar.

He also shared the evidence linking Pakistani nationals to the Mumbai atrocity and expressed mounting anger in India over Islamabad's denial.

In fact, speaking to media persons after his talks with Mukherjee, Ban also said that he had spoken to Pakistan prime minister Yousuf Raza Gilani during his Islamabad visit urging full investigation into the issue. The UN chief said the Pakistani leaders were also told to continue to engage in the composite dialogue with India with all sincerity. "This is what the UN and international community wants."

## Voice Over

Posted online: Feb 08, 2009 at 2314 hrs

*External Affairs Minister Pranab Mukherjee, who is currently holding charge of the finance portfolio, expressed his views on the growth of the Indian economy, during a **conference on financial crisis.***

### **Excerpts:**

As next year's outlook is more downbeat, the Government will take further steps to ensure that the labour-intensive sectors are less adversely affected. Despite the global economic downturn, India's economy is expected to grow at 7% in 2008-09, after recording an average growth rate of 9% for the last five years. We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand. The structure of global economic governance would need to be changed profoundly with major developing economies having a say in it. There is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self help and sustainable economic development. Anything contrary would be disastrous.

Business

## Labour-intensive sectors to get fillip, says Pranab

Ashok Dasgupta

*A 'watershed moment in the history of modern world'*

PHOTO: R. V. MOORTHY



**PROPPING UP ECONOMY:** Pranab Mukherjee (right), External Affairs Minister and in-charge of Finance Ministry, with Haruhiko Kuroda, President, Asian Development Bank, Manila, at a conference in New Delhi on Friday.

NEW DELHI: Apprehending a further deceleration in economic growth next fiscal in the wake of the global downturn, External Affairs and Finance [in-charge] Minister Pranab Mukherjee on Friday announced that the Government would take more steps to minimise the adverse impact on the labour-intensive sectors.

Addressing a conference on 'Financial crisis, global economic governance and development' here, Mr. Mukherjee, who is currently holding additional charge of Finance, said: "As next year's [2009-10] outlook is more downcast... the Government will take further steps to ensure that the labour-intensive sectors are less adversely affected."

The indication of the Government's intentions has come a day after Commerce Secretary G. K. Pillai noted that yet another stimulus-like package was likely to be announced by the month-end to prop up various sectors of the economy.

To tide over the impact of the global crisis during the current fiscal, Mr. Mukherjee said that the Government had already unveiled two stimulus packages through which it put in place "a number of measures to inject liquidity, bring down the cost of borrowings and stimulate demand." Describing the ongoing global meltdown as a 'watershed moment in the history of modern world', Mr. Mukherjee said that despite the crisis, the Indian economy would still grow by about seven per cent in 2008-09 after having posted nine per cent average growth for the last five years.

Stressing on the need for a regional mechanism to pre-empt further deepening of the crisis, Mr. Mukherjee said: "We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand." Alongside, he pointed out that the global economic structure would have to be altered. "Structure of the global economic governance would need to be changed profoundly with major developing economies having a say in it. Failures to create a new architecture would lead countries towards competitive monetary policies and new investment barriers, increasing the potential of global market fragmentation," he said. He also emphasised that the global financial institutions should mobilise more resources for building the rural economies of developing nations. "To me, there is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self-help and sustainable economic development. Anything contrary would be disastrous," he said.

# Hindustan Times

HT Correspondent, [Hindustan Times](#)

New Delhi, February 07, 2009

First Published: 10:04 IST(7/2/2009) Last Updated: 10:06 IST(7/2/2009)

## Labour-intensive sectors to get a boost: Pranab

A slew of fiscal measures are on the anvil to boost growth in labour-intensive sectors as a concerned government gropes for options to prevent widespread job losses amid the piling rubble of a global economic meltdown.

“The Government will take further steps to ensure that the labour-intensive sectors are less adversely affected,” External Affairs Minister Pranab Mukherjee, who is also holding additional charge of the finance portfolio, said at a conference on financial crisis.

A government survey released earlier this week showed that about 5,00,000 jobs were lost during the October-December quarter.

The government is expected to use the Interim Budget on February 16 to announce the measures, which could include tax breaks and procedural changes to spur growth.

“After an average 9 per cent growth in the last five years, we expect the economy to grow at 7 per cent in the current fiscal despite the global economic downturn,” Mukherjee said at the conference of the Research and Information System for Developing Countries (RIS).

The Prime Minister’s Economic Advisory Council has estimated growth to average 7.1 per cent this year.

## More measures coming to boost labour-intensive sectors: Pranab

Press Trust of India Posted online: Feb 07, 2009 at 0034 hrs

**New Delhi :** Fearing further moderation in economic growth in the next fiscal, the government today said it would take more steps to boost the labour-intensive sectors.

“As next year’s outlook is more downbeat... the government will take further steps to ensure that the labour-intensive sectors are less adversely affected,” external affairs minister Pranab Mukherjee, who is currently holding charge of the finance portfolio, said while addressing a conference on financial crisis and global economic governance organised by Research and Information System (RIS) here.

He further said despite the global economic downturn, India’s economy is expected to grow at 7 per cent in 2008-09, after recording an average growth rate of 9 per cent for the last five years.

The government, the minister pointed out, has already taken a “number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand”. Referring to the need of a regional mechanism to prevent deepening of the crisis, the minister said, “We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand.”

Mukherjee further said as a fallout of the current economic crisis, the structure of the global economy would change and have far-reaching implications for the future governance of the world.

“The structure of global economic governance would need to be changed profoundly with major developing economies having a say in it,” he said, adding that the failure to do so would result in new investment barriers and global market fragmentation.

• **Gandhian economics needed to overcome financial crisis: Pranab**

***New Delhi, Feb 6 (IANS) The government will initiate more measures to support labour intensive sectors with focus on Gandhian economics even as the Indian economy is set to grow by 7 percent this fiscal, External Affairs Minister Pranab Mukherjee said Friday.***

New Delhi, Feb 6 (IANS) The government will initiate more measures to support labour intensive sectors with focus on Gandhian economics even as the Indian economy is set to grow by 7 percent this fiscal, External Affairs Minister Pranab Mukherjee said Friday.

'When necessary, the government will take further steps to ensure that labour intensive sectors are less adversely affected,' Mukherjee, who also holds the finance portfolio, told a seminar organised by a leading think tank here.

'After an average 9 percent growth in the last five years, we expect the economy to grow at 7 percent in the current fiscal despite global economic downturn,' he told the silver jubilee conference of Research and Information (RIS).

'The current circumstances make it imperative for the developing countries to enhance regional cooperation to mitigate the adverse impact of this crisis. We have the capability to do so and we need to be creative in our cooperation.'

Speaking to reporters later on the margins of the conference, Mukherjee said it was not decided yet as to when some of the measures will be announced. 'You will have to wait till I present the budget,' he said.

The interim budget is due Feb 16 and Home Minister P. Chidambaram, the finance minister till a couple of months ago, had Thursday said the government would be within its rights to announce new measures in it, despite the ensuing national elections.

Mukherjee said global financial institutions needed to put more resources into developing nations, specially in rural areas, skill development, infrastructure and to strengthen local communities.

'To me, there is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self-help and sustainable economic development. Anything contrary would be disastrous,' he said.

'It should be a veritable Marshal Plan for the economic uplift of the poorest sections of societies world-wide.'

SATURDAY, FEBRUARY 7, 2009

## Govt to support Labour-intensive sectors: Pranab

External affairs minister Pranab Mukherjee, who is looking after the finance portfolio, informed that the government would take more and more steps to support the labour intensive sectors.

Mukharjee also supported the Gandhian model economy and termed such model with rural focus is the need of the hour. Due to the global financial crisis, there were many job losses. Many suffered loss due to this global turmoil.

The government support is required to protect most the sectors. The export sectors is one of the worse hit among other sectors. The loss of jobs in export sector is said to be more and exporters have been expecting relief from he government in the budget.

It is expected that the government might induct more and more policies in the interim budget the to be present on February 16. Pranab will present the interim budget in the Parliament and he would try to draw a balance between populace policy and required polices in the interim budget.

posted by P. Neelakantha Achary

<http://www.kuwaitamachar.com/index.php>

## ***Steps to boost labour-intensive sector: Pranab***

FRIDAY, 06 FEBRUARY 2009 12:38 INDIA - INDIA NEWS

New Delhi: Fearing further moderation in economic growth in the next fiscal, the Government on Friday said it would take more steps to boost the labour-intensive sectors.

"As next year's outlook is more downbeat... the Government will take further steps to ensure that the labour-intensive sectors are less adversely affected," External Affairs Minister Pranab Mukherjee, who is currently holding charge of the finance portfolio, said while addressing a conference on financial crisis.

He further said despite the global economic downturn, India's economy is expected to grow at 7 per cent in 2008-09, after recording an average growth rate of 9 per cent for the last five years.

The Government, the minister pointed out, has already taken a "number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand".

Referring to the need of a regional mechanism to prevent deepening of the crisis, the minister said, "We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand".

source:indianexpress

Posted: Fri, Feb 6 2009. 4:21 PM IST

## Economy and Politics

### More steps on anvil to boost labour-intensive sector: Pranab

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PTI

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He further said despite the global economic downturn, India’s economy is expected to grow at 7% in 2008-09, after recording an average growth rate of 9% for the last five years.

The government, the minister pointed out, has already taken a “number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand”.

Referring to the need of a regional mechanism to prevent deepening of the crisis, the minister said, “We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand”.

Mukherjee further said as a fallout of the current economic crisis, the structure of the global economy would change and have far-reaching implications for the future governance of the world.

“The structure of global economic governance would need to be changed profoundly with major developing economies having a say in it,” he said, adding that the failure to do so would result in new investment barriers and global market fragmentation.

Also, he added, a greater economic co-ordination would be needed at both regional and global level to achieve movement of capital. “The aid and trade flows to the developing world must be maintained,” he added.

The minister also emphasised that global financial institutions need to mobilise more resources for building rural economies of developing countries.

“To me, there is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self help and sustainable economic development. Anything contrary would be disastrous,” Mukherjee said.

About economic growth, Mukherjee quoted an IMF report to point out that growth rates in the developing world would remain positive, though the developed nations would experience a contraction by 2% — first time since the second world war.



Posted: 06/02/2009 06:15 PM IST

## **More steps on anvil to boost labour-intensive sectors: Pranab**

Press Trust of India

Fearing further moderation in economic growth in the next fiscal, the government today said it would take more steps to boost the labour-intensive sectors.

"As next year's outlook is more downbeat... the Government will take further steps to ensure that the labour-intensive sectors are less adversely affected," **External Affairs Minister Pranab Mukherjee**, who is currently holding charge of the finance portfolio, said while addressing a **conference on financial crisis**.

He further said despite the global economic downturn, India's economy is expected to grow at 7 per cent in 2008-09, after recording an average growth rate of 9 per cent for the last five years.

The government, the minister pointed out, has already taken a "number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand".

Referring to the need of a regional mechanism to prevent deepening of the crisis, the minister said, "We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand".

## 'More Steps on Way to Boost Labour-Intensive Sector'

NEW DELHI | FEB 06, 2009

Fearing further moderation in economic growth in the next fiscal, the government has said it would take more steps to boost the labour-intensive sectors.

"As next year's outlook is more downbeat... The government will take further steps to ensure that the labour-intensive sectors are less adversely affected," External Affairs Minister Pranab Mukherjee, who is currently holding charge of the finance portfolio, said while addressing a conference on financial crisis.

He further said despite the global economic downturn, India's economy is expected to grow at 7 per cent in 2008-09, after recording an average growth rate of 9 per cent for the last five years.

The government, the minister pointed out, has already taken a "number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand".

Referring to the need of a regional mechanism to prevent deepening of the crisis, the minister said, "We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand".

Mukherjee further said as a fallout of the current economic crisis, the structure of the global economy would change and have far-reaching implications for the future governance of the world.

"The structure of global economic governance would need to be changed profoundly with major developing economies having a say in it," he said, adding that the failure to do so would result in new investment barriers and global market fragmentation.

Also, he added, a greater economic co-ordination would be needed at both regional and global level to achieve movement of capital. "The aid and trade flows to the developing world must be maintained," he added.

The Minister also emphasised that global financial institutions need to mobilise more resources for building rural economies of developing countries.

"To me, there is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self help and sustainable economic development. Anything contrary would be disastrous," Mukherjee said.

About economic growth, Mukherjee quoted an IMF report to point out that growth rates in the developing world would remain positive, though the developed nations would experience a contraction by 2 per cent - first time since the Second World War.

**BUSINESS** | Saturday, February 7, 2009

## **India sees no signs of economic crisis abating**

**PTI | New Delhi**

India on Friday said it saw no signs of the global economic crisis abating in the near future and prescribed higher public spending to prop up rural economy in developing countries to begin a turnaround.

With the financial meltdown eating into global economic growth, including India's own, **External Affairs Minister Pranab Mukherjee**, who also holds the finance portfolio, warned that ignoring rural economy could prove to be disastrous.

"The speed and ferocity of this crisis does not indicate any signs of abating. There are still no indications as to how (crisis) will progress and as to when it will bottom out," he said, addressing a **conference on financial crisis and global economic governance organised by Research and Information System (RIS)** here.

The IMF has already cut global growth forecast for 2009 to 0.5 per cent from 2.2 per cent predicted only three months ago. Indian economy, which had seen over 9 per cent growth for four years, is expected to see just near 7 per cent expansion.

"The global financial institutions need to put more resources for the developing countries in rural economy, build social infrastructure... As next year's outlook is more downbeat... The Government will take further steps to ensure that the labour-intensive sectors are less adversely affected," Mukherjee said.

"As this is a watershed moment in the history of the modern world, we need to think hard about the shape of its future... Resources must be put in institutional capacity building," Mukherjee said at the conference attended, among others, by Asian Development Bank president Haruhiko Kuroda.

The Minister said he saw the need to revisit Gandhian economics with emphasis on rural self-help and sustainable economic development.

"Anything contrary would be disastrous."

Nearly 70 per cent of India's population depends on agriculture for income and for long, the criticism has been that the bolting economic growth of the past few years has not fully percolated to the rural areas.

Mukherjee said since next year's economic outlook was "more downbeat," the government has taken and will take further steps to ensure that labour intensive sectors are less adversely affected.

Govt hints at fiscal sops

A day after stating that there is no constitutional bar on the interim budget announcing stimulus package, the Government on Friday said it will look at "everything" to push the industrial growth impacted by global downturn.

"This is still under formulation," Commerce and Industry Minister Kamal Nath said when asked whether the Government would unveil a package in the vote-on-account on February 16. Asked whether the package would contain the fiscal incentives as well, the Minister said, "We will look at everything which will stimulate economy".

## More steps soon to boost economy: Pranab

PTI | February 06, 2009 | 13:31 IST

Fearing further moderation in economic growth in the next fiscal, the government on Friday said it would take more steps to boost the labour-intensive sectors.

"As next year's outlook is more downbeat. . . the government will take further steps to ensure that the labour-intensive sectors are less adversely affected," **External Affairs Minister Pranab Mukherjee**, who is currently holding charge of the finance portfolio, said while addressing a **conference on financial crisis**.

He further said despite the global economic downturn, India's economy is expected to grow at 7 per cent in 2008-09, after recording an average growth rate of 9 per cent for the last five years.

The government, the minister pointed out, has already taken a 'number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand'.

Referring to the need of a regional mechanism to prevent deepening of the crisis, the minister said, "We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand."

[Business] —————

## Focus on labour intensive sectors

Statesman News Service

NEW DELHI, Feb. 6: In a move aimed at giving a real push to economic growth, now facing a sluggish phase due to global meltdown, the government has decided to initiate steps to support labour intensive sectors. The focus will be on Gandhian economics, according to the external affairs minister, Mr **Pranab Mukherjee**, now looking after the finance portfolio on behalf of the Prime Minister. “To me, there is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self-help and sustainable economic development. Anything contrary would be disastrous,” he told a conference organised by economic think-tank Research and Information (RIS) to mark its silver jubilee here.

“When necessary, the government will take further steps to ensure that labour intensive sectors are less adversely affected,” he said. “As next year’s outlook is more downbeat... the government will take further steps to ensure that the labour intensive sectors are less adversely affected,” he said. Speaking to the media after the conference, he said that it was not decided when the measures would be announced.

## More stimulus plans coming, says Pranab

7 Feb 2009, 0041 hrs IST, TNN

NEW DELHI: Government will announce more stimulus packages to promote growth and protect jobs as the global economic recession worsens, said acting finance minister Pranab Mukherjee on Friday, cautioning that deepening global crisis would affect India's growth in 2009. He said that India's economy is expected to grow 7% in 2008-09, far slower than the previous year's 9%.

Mukherjee said since next year's economic outlook is "more downbeat", government has taken and will take further steps to ensure that labour intensive sectors are less adversely affected. He is scheduled to present the government's interim Budget in Parliament on February 16, and Indian industry expects more stimulus measures for an economy which is slowing down.

Mukherjee added that in the present crisis time, it is important to revisit Gandhian economics with emphasis on rural self-help and sustainable development. "Anything contrary would be disastrous," he said. Nearly 70% of India's population depends on agriculture and the recent spurt in the economic growth has not fully percolated to the rural areas. He also urged global financial institutions to put more resources for the developing countries to build rural economy, social infrastructure.

Saturday, 7 February 2009

## **Pranab aims to target labour-intensive sector**

Tribune news Service

New Delhi, February 6, 2009

The government will take further steps to ensure that the labour-intensive sectors are less adversely affected. This was stated by External Affairs Minister Pranab Mukherjee at the silver jubilee conference of Research and Information.

He urged global financial institutions to put more resources into developing nations, especially in rural areas, skill development, and infrastructure, and to strengthen local communities. "There is a necessity to revisit Gandhian economics with its emphasis on rural self-help and sustainable economic development," Mukherjee added.

Strident rate of development in the developing economies is likely to change the structure of global economic governance and the failure to recognise changing structure of the global economy would result in new investment barriers and global market fragmentation, he stressed.

When asked about the measures to be announced in the forthcoming budget to be presented on February 16, Mukherjee said it was not decided as to when some of the measures would be announced. "You will have to wait till I present the budget," he said.

A government survey released on Wednesday showed as many as 5,00,000 workers lost their jobs in the December quarter. Export lobby group Federation of Indian Export Organisation projected the figure to go up to 10 million till March-end.

As next years outlook is more downbeat, the economy is expected to grow at 7 per cent in 2008-09, after an average growth rate of 9 per cent for the last five years, the minister said.

"A regional financial architecture, drawing upon the high currency balances in Asia, would mitigate the severity of the economic crisis for us. A coordination mechanism could help improve surveillance and prevent another crisis," Mukherjee opined.

Warning that the global crisis is likely to deepen, as it shows no signs of abating, the finance minister said when necessary the government would take further steps to ensure that labour-intensive sectors were less adversely affected.

The government has cut interest rates, slashed duties and pledged extra spending to prime the economy and stem job losses as it prepares for general elections due by May.

Mukherjee is scheduled to present the government's interim budget in Parliament on February 16, and the industry expects more stimulus measures for a slowing economy.



## **Sops for labour-intensive sectors**

New Delhi, Feb 06: Fearing further moderation in economic growth in the next fiscal, the government on Friday said it would take more steps to boost the labour-intensive sectors.

"As next year's outlook is more downbeat... the government will take further steps to ensure that the labour-intensive sectors are less adversely affected," External Affairs Minister Pranab Mukherjee, who is currently holding charge of the finance portfolio, said while addressing a conference on financial crisis.

He further said despite the global economic downturn, India's economy is expected to grow at 7 per cent in 2008-09, after recording an average growth rate of 9 per cent for the last five years.

The government, the minister pointed out, has already taken a "number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand".

Referring to the need of a regional mechanism to prevent deepening of the crisis, the minister said, "We, in Asia, have the capacity to undertake significant counter-cyclical steps to drive the economy forward on the strength of domestic demand".

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