

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**STRUCTURAL REFORMS NEEDED TO CREATE AT LEAST FIVE MILLION JOBS
EVERY YEAR ALONG WITH HIGH GROWTH RATE OF 7-8%; GROWTH TO BE
NON-INFLATIONARY, JOB ORIENTED, SUSTAINABLE AND ALL INCLUSIVE:
JAYANT SINHA, MOS (FINANCE)**

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The Minister of State for Finance, Shri Jayant Sinha said that India has a huge unexploited potential for growth which can make it a US \$5 trillion economy in the next ten years. Shri Sinha said that we need deep structural reforms to create at least five million jobs every year as well as to ensure 7-8% economic growth as job creation and growth go hand-in-hand. He said that India needs to develop alternative model of growth based on mix of policies including market driven entrepreneurship innovations, scope for larger private investment and free market economy in democratic polity among others. Shri Sinha was delivering the Inaugural Address after inaugurating the two day Delhi Economic Conclave 2014 here today. The theme of the two day Conclave is "Structural Reforms and Growth in India". Shri Sinha said that the world economy is passing through a critical time and needs higher growth. . He said that we need growth which is sustainable, all inclusive, anti-inflationary and job-oriented. He said that it is to be ensured that environmental and ecological carrying capacity is also increased along with higher growth.

Giving details about the kind of structural reforms required, the Minister of State for Finance Shri Sinha said that we believe in supply-side revolution with high productive capacity. He said that structural reforms must result into macro-economic stability, world class infrastructure, unlocking of entrepreneurship and innovations, and world class social security system. The Minister also focused on growth in agriculture especially in providing irrigation facilities and power to every field in the country so that agriculture productivity goes much higher. Stressing on the non-inflationary, inclusive and sustainable growth, Shri Sinha said that structural reforms shall keep taking place at gradual intervals as being done by the present Government so that as overall net result, these gradual reforms lead to transformation of India into an economy with a sustainable growth of 7-8% and inflation in the range of 4-6%.

Delivering the Key Note Address on this occasion, Mr. Tharman Shanmugaratnam, Deputy Prime Minister and Finance Minister, Singapore said that it is true that India's economy is having one amongst the largest unrealized potential yet there are huge obstacles in exploiting the same including legacy of incremental change and mind set for opposing the change as such among others. The Deputy Prime Minister said that India does not have time on its side and will have to race against competitive countries, intelligent machines among others. He said that demographic dividend may not be sufficient enough if it is not substantiated with skills and high quality education. He said that India has very highly talented people including scientists, IT experts, academicians, entrepreneurs, but there is a gap at the middle and lower level in

comparison with other competitive countries like China. The Deputy Prime Minister focused on need for supply side transformation for increasing competitive capacity, social mobility, high quality export oriented manufacturing of goods, production to meet demands of both external and internal market. He said that it is important to focus on high technology and innovative progress so that high value added products are produced in order to generate and meet the demands of other parts of the world.

Shri Piyush Goyal, Minister of State (IC), Power, Coal and NRE, as the Lead Speaker in the First Plenary Session on 'Infrastructure and Growth' said that there is need for change of mind set of policy makers, policy implementers, stakeholders including private entrepreneurs among others to achieve the goal of high and sustainable growth. He said that the present Government is focusing on bringing transparency and honesty in allocation of natural resources including coal blocks, iron ore and other minerals as well in time to come. The Minister specifically mentioned about e-auction of coal blocks which will bring more transparency, competitiveness and efficiency in the system.

The Power Minister Shri Goyal focused on the root cause analysis so that the problems and issues at principal base level are first addressed which will automatically take care of the individual ones. He assured that there will be no increase in power tariff post e-auction of coal mines and the focus would be outcome oriented. Shri Goyal said that the present Government has delivered in six months which could not be achieved by many previous Governments. He specifically mentioned about Deen Dayal Upadhyay Gram Jyoti Yojana for feeder separation to augment power supply to rural areas, which was announced by the Finance Minister in his Budget Speech on 10th July, 2014. Shri Goyal said that it was taken for Cabinet approval within four months. The Power Minister said that new Electricity Amendment Bill would also be introduced soon in the Parliament. He focused on innovative financing, monitoring and accountability. The Minister concluded that the present Government believes in good governance so that people at large get best possible services at most reasonable prices in an efficient and transparent manner. He said that there would be focus on monitoring and accountability.

Among those present on the occasion included Shri Rajiv Mehrishi, Finance Secretary, Dr. Arvind Subramanian, Chief Economic Adviser, Ministry of Finance, Shri Shaktikanta Das, Revenue Secretary and Dr. Hasmukh Adhia, Secretary, Department of Financial Services along with officers of the Ministry of Finance, economists, foreign delegates and, private entrepreneurs among others.
