

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT**

RAJYA SABHA

**UNSTARRED QUESTION NO. 1536
TO BE ANSWERED ON 04.03.2020**

PROVIDENT FUND BENEFITS TO CONTRACTUAL EMPLOYEES

1536. SHRI S. MUTHUKARUPPAN:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether it is a fact that Government is considering to extend the provident fund benefits to contractual employees as well;**
- (b) if so, the details thereof;**
- (c) whether it is also a fact that the said facility is not even given to contractual employees engaged in Government owned organisations; and**
- (d) if so, the details thereof?**

ANSWER

**MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI SANTOSH KUMAR GANGWAR)**

(a) to (d): The Employees' Provident Funds and Miscellaneous Provisions (EPF & MP) Act, 1952 is applicable to every establishment which is a factory engaged in any industry specified in Schedule I and in which 20 or more persons are employed and to any other establishment employing 20 or more persons or class of such establishments which the Central Government specifies by notification in the Official Gazette. As per definition of employee in Section 2(f) of the Act, any person who is employed for wages in any kind of work, manual or otherwise, in or in connection with the work of an establishment and who gets his wages directly or indirectly from the employer, and includes any person:-

- i) Employed by or through a contractor in or in connection with the work of the establishment;**
- ii) Engaged as an apprentice, not being an apprentice engaged under the Apprentice Act, 1961 (52 of 1961) or under the standing orders of the establishment;**

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There is no distinction between direct and contract workers under provisions of EPF & MP Act, 1952 and Schemes framed thereunder and all the provisions of the Act and the schemes are applicable to the contractual workers equally.

Contract employees engaged in Government departments/organizations through contractors are covered under the said Act for the purpose of Social Security.
