

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

**UNSTARRED QUESTION NO. 5701
TO BE ANSWERED ON 02.04.2018**

RATE OF PF DEDUCTION FROM SALARY

5701. SHRI RAM CHARITRA NISHAD:

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

- (a) whether the Government will not bring back its proposal to decrease rate of deduction from salary towards provident fund savings from 12% to 10% and if so, the details thereof;**
- (b) whether the employers initially were reluctant to agree to the said proposal, but have now agreed to contribute 12% to provident fund savings instead of 10%; and**
- (c) if so, the details thereof?**

ANSWER

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

(a) to (c): An agenda item for lowering the rate of contribution under Employees' Provident Funds and Miscellaneous Provisions (EPF & MP) Act, 1952 from the present 12 per cent to 10 per cent was deliberated in the 218th meeting of the Central Board of Trustees (CBT), Employees' Provident Fund (EPF) held on 27.05.2017.

The employees', employers' and State Government representatives were against reducing the rate of contribution from 12 per cent to 10 per cent. Thereafter, no further action has been taken in the matter.
