GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT

LOK SABHA

UNSTARRED QUESTION NO. 2450 TO BE ANSWERED ON 13.12.2021

CHANGES IN EPF CONTRIBUTION

†2450. SHRI NIHAL CHAND:

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

- (a) the details of the employees' basic pay contribution fixed by the Government under the Employees' Provident Fund (EPF);
- (b)whether the Government is considering to make any change in this contribution, if so, the details thereof;
- (c)the types of assistance being provided by the Government to the employees through EPF scheme at present; and
- (d)whether the Government proposes to provide better facilities to Central Government employees', if so, the details thereof?

ANSWER

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI RAMESWAR TELI)

- (a): Under the Employees' Provident Fund (EPF) Scheme, 1952, an employee of any covered establishment drawing monthly wages up to Rs.15,000 is statutorily required to join the fund and to contribute 12% of wages, which includes basic wages, dearness allowance and retaining allowance, if any.
- (b): No, Sir.
- (c): Under the Employees' Pension Scheme (EPS), 1995, the Government contributes @ 1.16 per cent of wages, up to an amount of Rs.15,000 per month through budgetary support. Further, the Government, for the first time, provided a minimum pension of Rs.1000 per month to the pensioners under EPS, 1995 from 01.09.2014 by providing additional budgetary support.

The Government has also launched Aatmanirbhar Bharat Rojgar Yojana (ABRY) to incentivize employment generation in Employees' Provident Fund Organisation (EPFO) registered establishments during Covid-19 for a period from 01.10.2020 to 31.03.2022. Under ABRY, the Government is paying both employees' and employers' contributions of 24% of wages (12% of wages for each) in respect of establishment having 1000 employees and employees' contribution of 12% of wages to establishments employing more than 1000 employees. As on 04.12.2021, employment opportunities have been created for 39.73 lakh new employees and benefits of Rs.2612.10 crore is credited upfront in their accounts.

(d): The provisions relating to facilities to the Government Servants are determined by various rules, regulations and guidelines in force and their betterment is an ongoing exercise.
