

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

UNSTARRED QUESTION NO:5005

ANSWERED ON:26.04.2010

COVERAGE OF EPFO

Chauhan Shri Sanjay Singh; Rao Shri Nama Nageswara; Sachan Shri Rakesh; Thakur Shri Anurag Singh

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

- (a) the number and percentage of employees out of total workforce of the country are covered under Employees Provident Fund Organisation (EPFO);
- (b) whether only a fraction of the total workforce of the country has taken the membership of EPFO;
- (c) if so, the details thereof and the reasons therefor;
- (d) the steps taken by the Government to bring more establishments under the EPFO and extend the reach of benefits to all eligible workforce; and
- (e) the details of other schemes prevailing and formulated for the welfare of labourers of both organised and unorganised sectors and the number of labourers being benefited therefrom?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI HARISH RAWAT)

(a): At present approximately 449 lakh members are covered by the Employees' Provident Fund Organisation (EPFO) as on 31.03.09 including those of exempted establishments, against the total workforce of 45.9 crore (43.3 in unorganized and 2.6 crore in organized) estimated by the survey carried out by the National Sample Survey Organization (NSSO) in the year 2004-05.

(b) & (c): The reasons for less number of memberships of EPFO is that the membership in the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF & M.P. Act, 1952) is restricted by the following provisions:

establishments which employ 20 or more employees and come under Government notified class of establishment are coverable by the EPFO under the Act.

Cooperative Societies/ establishments employing less than 50 persons and working without the aid of power are not coverable [u/s 16(1)(a)].

The employee under its fold having the wage ceiling upto Rs. 6500/- p.m.

The Act is not applicable to the establishments belonging to or under the control of the Central or State Government whose employees are entitled to the benefit of Provident Fund and pension. Similarly all other establishments employing less than 20 employees are also not covered under EPF & M.P. Act, 1952.

The Act is also not applicable to establishments whose business activity does not fall under notified schedule industries or class of establishments.

(d): New classes of establishments are notified by the Government from time-to-time, the last notification being SO 3456 dated 16.11.2007, covering:

companies offering life insurance, annuities etc, other than Life Insurance Corporation of India;

private airports and joint venture airports;

electronic media companies in private sector; and

lodging houses, services apartments and condominiums; under the Act.

(e): Details of other schemes prevailing and formulated for the welfare of labourers of both organized and unorganized sector is given at Annexure.