



# Women in workforce dipping, govt plans to extend EPF subsidy

Posted at: 16/08/2018

Between 2004 and 2011, the year of the last Census, nearly 20 million women fell off the labour map, and there are no signs that this slide has stopped.

- Following a sharp decline in employment of women in the workforce, the Labour Ministry plans to extend the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) for women to five years, instead of the current three, to encourage employers to hire more women.
- Small and medium enterprises as well as micro businesses would be incentivised to hire more women as the government would pay the employer's contribution of 12 per cent towards the employees' pension and provident fund for five years for fresh talent who join the workforce.
- The launch of the special edition of the scheme for women is being targeted for September 17 - Vishwakarma Day, celebrated for the Hindu god of architecture.

India's low female workforce participation rate is amongst the worst in South Asia. Employment of women has declined to 24 percent — according to the 2018 Economic Survey — from 36 percent in 2005-2006.

## Pradhan Mantri Rojgar Protsahan Yojana (PMRPY)

- In order to incentivise the employers for new employment generation, the Government of India designed the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Scheme.
- Under the scheme, the employers would be paid the EPS contribution of 8.33% for every new employment created, by the government.
- The scheme has been operational since August 2016. The scheme is being implemented by the Ministry of Labour and Employment.

## Duration:

- The Scheme will be in operation for a period of 3 years and the Government of India will continue to pay the 8.33% EPS contribution to be made by the employer for the next 3 years.
- That is, all new eligible employees will be covered under the PMRPY Scheme till 2019-20.

## Eligibility criteria:

- All establishments registered with Employees' Provident Fund Organisation (EPFO) under EPF Act 1952 can apply for availing benefits under the scheme.

- They need to have a valid Labour identification Number (LN) allotted to them under the Shram Suvidha Portal.

**Benefits of the Scheme:**

- The scheme provides a direct benefit of access to the social security benefits of the organised sector to the workers. Apart from this, there are dual benefits of implementing this scheme.
- The employer is incentivised for increasing the employment base of workers in the establishment.
- A huge number of workers would find employment in such establishments.

**Recent updates to the scheme:**

The cabinet Committee on Economic Affairs chaired by the Prime Minister has now given approval for enhancing the scope of the scheme.

Now the government will contribute full admissible contribution for the first 3 years from the date of registration of the new employee for all the sectors inclusive of the existing beneficiaries for their remaining period of 3 years.

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