

Parliamentary panel to scrutinize EPFO corpus, benefit to workers

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- **The standing committee on Labour is also planning to look at ways to make EPFO more fruitful for working class, organized and unorganized sectors.**

The parliamentary committee on Labour is set to scrutinize the Rs10 trillion corpus under the Employees' Provident Fund Organization (EPFO) in its upcoming meeting and it will also look at the performance of the fund management and investments made. This is the first time in the last one year when EPFO will come under parliamentary scrutiny.

The standing committee on Labour, scheduled to meet on 21 October, is also planning to look at ways to make EPFO more fruitful for working class, organized and unorganized sectors. Earlier EPFO was confined only to workers of the organized sector but the National Democratic Alliance (NDA) extended this scheme to the unorganized sector by introducing the Pradhan Mantri Shram Yogi Maan-dhan Yojana. The central scheme gives an opportunity for people to choose between EPFO and National Pension Scheme (NPS).

"There has been no scrutiny of the EPFO, fund management of the corpus of Rs10 Lakh crore in the past one year. Since fund managers have now started investments in stock markets, we want to assess the performance of these schemes," said a person aware of the development.

The Pradhan Mantri Shram Yogi Mann-dhan Yojana is an ambitious scheme of the Union government under Prime Minister Narendra Modi, which is specially meant for old age protection and social security of unorganized workers, mainly engaged as rickshaw pullers, street vendors, head loaders, brick kiln workers, cobblers, rag pickers, domestic workers, agricultural and construction workers, along with handloom workers and workers in the leather industry.

The parliamentary committee on Labour has invited representatives of the ministry of labour who are expected to first hold discussions which will lead to multiple meetings between the two sides. This is the first time parliamentary committee members would also assess what was the impact of EPFO during nationwide lockdown and the impact of covid-19 pandemic on EPFO.

"EPFO was earlier only for the organized sector but the Union government has extended it to the unorganized sector also. The management of the fund is a cause for concern for the members of the parliamentary committee and it was unanimously decided to take it up for discussion. We plan to finish the series of meetings and submit a detailed report in the winter session of Parliament," a person in the know of development added.

Members of the standing committee have also asked the representatives of the ministry of labour to look at the provisions made for both organized and unorganized sector workers in other countries and the committee is expected to take it up for discussion in its meeting on Wednesday.

According to people aware of developments, members in the panel are keen on raising a series of issues related to the EPF and pension schemes, including raising the minimum pension money under

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the Employees' Pension Scheme (EPS) and ensuring better access of funds to families in case of death of an account holder.

"We have been demanding that the minimum pension under the EPS be raised to Rs.5,000 a month. This is a demand that several trade unions and labour organizations, too, have been making for a while. We were told that it has been decided to give Rs.2,000 monthly but we feel the amount should increase," another person aware of developments said requesting anonymity.

"There were some cases in the Supreme Court and state courts such as Kerala over capping the salaries at Rs.15,000 for quantifying pensions. People want more pensions and for that they are ready to give contribution also. But Rs.15,000 is the ceiling and there is no room for flexibility. We want to raise this issue in the committee as well," the person quoted above added.

The significance of the subject for the committee can be understood from the fact that this is the first issue it is taking up after all the parliamentary panels got reconstituted a month ago. The agenda for Wednesday's meeting is "Functioning of the Employees' Provident Fund Organization with special reference to EPF Pension Scheme".