

# Business Standard

## EPFO's new enrolment scheme works, 10 million members added in three months

Employers can file declarations for unregistered employees with a nominal fine of Rs 1 per annum.

Arindam Majumder | New Delhi July 10, 2017 Last Updated at 08:45 IST



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The government's idea of including the number of Employees Provident Fund Organisation (EPFO) subscribers to calculate formal jobs is likely to swell the latter's formal number.

For, the PF body has added a little more than 10 million members in the past three months, taking its membership

to around 48 mn, from 37 mn on March 31.

This has been due to EPFO's new enrolment scheme. Under it, employers got the opportunity to file declarations for unregistered employees with a nominal fine of Rs 1 per annum. According to data reviewed by *Business Standard*, the body has added 10,131,453 subscribers under the new scheme, higher than its expectation of 10 mn new ones. Most of the rise has come from urban areas such as Mumbai, Delhi and Bengaluru — Mumbai has added the highest number of subscribers, at 1,287,500.

NITI Aayog vice-chairman Arvind Panagariya had earlier said a task force for calculation of employment would use other data sources such as EPFO, National Pension System and other private pension schemes for

formalisation of the workforce, beside existing sources like the National Sample Survey Office and labour bureau.

The panel is headed by Panagariya himself. It was set up to suggest a revamp of employment data surveys, to ensure timely and reliable data for policy making. There was a view within the government that the current surveys did not provide a real picture on job creation.

However, the EPFO subscriber base might only be showing a formalisation of the workforce, not an addition to the job numbers. “As a result of this (our move), workers who earlier were out of the social protection coverage will now get these benefits,” V P Joy, the central PF commissioner, told *Business Standard*.