

8.5m Jobs Created Under PM Scheme

Total government outgo for PMRPY has been about ₹2,400 crore

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New Delhi: As many as 8.5 million young people have got jobs under the government's flagship employment generation scheme, the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY). This could help the government burnish its credentials on the employment front and ward off criticism that it hasn't created enough jobs ahead of next year's general election.

It has targeted 10 million jobs by March 2019 under the scheme, which involves the government paying the employer's share of pension contributions as an incentive. Going by this pace, the labour ministry hopes to achieve the target well in advance, officials said, adding that Employees' Provident Fund Organisation (EPFO) data will also help bolster the government's credentials on jobs.

A senior labour ministry official told **ET** that enrolment forms under the scheme provide for self-declaration of jobs by

employers.

This shows 8.5 million new jobs have been created under PMRPY, with the total outgo from government at about ₹2,400 crore. Of these jobs, 4.7 million were created in the year to August for those below 25.

Under PMRPY, the government pays in full the employer's contribution toward the Employee Provident Fund (EPF) and the Employee Pension Scheme (EPS), effective April 1, 2018, for a period of three years for all new jobs generated.

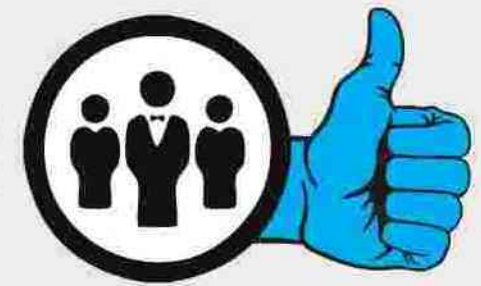
The scheme has a dual benefit

—the employer is incentivised to step up hiring and more workers find jobs in the organised sector, gaining access to social security benefits.

The employer's EPF contribution is 12% of basic pay for workers earning less than Rs 15,000 per month. The scheme has gained considerable traction since the last budget, which increased the government's EPF contribution to 12% from 8.33% earlier and extended the programme to all sectors. For the textile sector, the contribution was always 12%.

Job, Well Done!

❖ **Jobs created under** Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) to help govt ward off criticism that it hasn't created enough jobs



❖ **10 million** Jobs targeted to be created under PMRPY by Mar 2019



8.5 million obs created under the scheme

❖ Of these, **4.7m** Jobs created in the year to Aug for those below 25

❖ **₹2,400 cr** Outgo from govt for the scheme

