

Insurance for Unemployment Contingencies

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In a written reply to a question in Rajya Sabha the Minister of State for Labour and Employment, Shri Rameswar Teli, today said that Rajiv Gandhi Shramik Kalyan Yojana (RGSKY) was introduced by the Employees' State Insurance Corporation (ESIC) w.e.f. 01.04.2005. The scheme provides unemployment allowance to the Insured Person (IP) for a maximum period of 24 months in case he/she becomes unemployed involuntarily due to retrenchment as defined under the Industrial Disputes Act, 1947; closure of the factory/ establishment as defined under the Industrial Disputes Act, 1947 and permanent invalidity of not less than 40% arising out of non-employment injury.

It was also stated that the eligibility conditions under the scheme are as under:

- i. The IP should be in service for a minimum two years.
- ii. The paid/payable contribution in respect of an IP for 156 days or more in any two consecutive contribution period will be deemed as having worked for one full year. Contribution paid for 78 days or more in a contribution period will be deemed as having served for a half year.
- iii. The IP and his/her family are also entitled for medical care.
- iv. Unemployment allowance shall cease to be payable in case the Insured Persons who gets re-employment or attains the age of superannuation or 60 years, whichever is earlier.
- v. Daily rate of unemployment allowance is 50 per cent of the average daily wages drawn by the IP for first twelve months and 25 per cent for the last 12 months.

MJPS/SSV

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