

CENTRE OF INDIAN TRADE UNIONS
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ON THE WORKING OF THE ESI SCHEME

THE working of the E. S. I. scheme is causing great discontent among the workers and local movements have developed against its operation. The callousness of the bureaucracy and the employers towards industrial safety and health of the workers was seen in the most glaring manner in some of the official reports and material available. The actual conditions are, however, more shocking than what the official reports admit.

In this Presidential address to this session, Com. B. T. Ranadive, President of the CITU has already dealt with some of the aspects of the working of the ESI Scheme. In this note some other aspects of the scheme are being dealt with, which can be the basis for our campaign against the working of the scheme and for its improvement in the interest of workers.

It seems that the paraphernalia of a civilised Government providing for social security is becoming too heavy for the Garibi Hatao wallas and they are devising unscrupulous means to throw away their burden, without of course ceasing to collect workers' contributions.

We all know that the E. S. I. is not a non-contributory scheme and that the workers are making their own contribution out of their shrinking wages. The last meeting of our General Council devoted some attention to the problem of the mass of workers from W. Bengal, Rajasthan and elsewhere who were severely affected by the growing collapse of the E. S. I., its corruption and utter rottenness. After collecting huge sums from the workers, the authorities do not consider themselves bound to pay either the minimum benefits or the prescribed medicines. They nonchalantly ask the workers to do without them.

Can anyone believe that this autonomous corporation, dealing with the health, sickness and hospitalisation of more than 37 lakh workers had in 1969 a grand fleet of 103 ambulances for the whole of India? Maharashtra had 15 whole ambulances; and W. Bengal had as many as 10. According to the Committee appointed by the U. F. Ministry of W. Bengal, the Maharashtra

E. S. I. had a fleet of 16 ambulances for 945,000 insured persons and W. Bengal had 10 for 936,000 persons on 30th June 1970. The Committee found that out of the 10 ambulances in W. Bengal 6 were out of commission. It is difficult to beat this chicanery, perfidy and callousness.

The 123rd Estimate Committee Report observed that there were two list of medicines, one from which prescriptions can be issued to insured persons by medical officers and the other from which medicines can be issued by the specialists. The result has been that *the employees have been generally treated with medicines of no therapeutic value*. Prescribed medicines are often not available and workers have to purchase them at their own cost. "In the preparation of formulae emphasis is more on price and quality and the cheaper drugs are prescribed even if they have no therapeutic value".

When a worker goes to the approved chemist's shop, he is told that the shop has no stock of the prescribed medicine. In some States, even the ESI shops advance the same excuse. In W. Bengal, more than 50 per cent of the prescribed medicines are not available in the approved shops or Rajya Bima Aushadhalayas.

The Estimates Committee itself has commented adversely on the shortage of doctors and of hospital beds and about the lack of provision of specialists, but who cares? The W. Bengal Committee has also exposed the complete inadequacy of the provision for specialists, the corruption in hospitals, and the utter callousness towards the patients. But again, who cares?

As if this were not enough, the workers and their families have to suffer sometimes at the hands of certain panel doctors, who fail to pay house calls and attend to patients. The W. Bengal Committee's report throws light on the unscrupulousness of some doctors. *The workers and the members of the medical profession form part of the same democratic movement and the fraternal relations between the two should not be allowed to be spoilt by the doings of a few dishonest persons*. The trade union movement is aware that the medical profession itself has often to put up with arbitrary restrictions of the ESI scheme. Nonetheless, one has to realise that corruption also exists and it is the duty of the

profession to fight it. It is necessary that representatives of the trade unions and the panel doctors should sit together to solve the common problems.

The main thing, however, is *the rapid deterioration and collapse of the scheme*. The scheme undertook very moderate responsibility, in fact less than some of the backward developing countries.

Take for instance, the sickness benefit which is provided in India for a period of 8 weeks or 56 days. One need not compare it with the provisions in the USSR or China where it is paid for the entire duration. Even Pakistan provides it for 91 days.

With the passage of time, there has been hardly any expansion of benefits but a definite attempt to curtail them or to deny them in practice.

The ESI advertised a few years ago that it was providing medical care for the families of insured persons. In reality, it is now found that not more than 9 per cent of the 36 lakh families entitled were getting full medical care including hospitalisation. The ESI has virtually decided to stop all expansion of medical care to families, having put a ceiling of Rs. 50 per family.

But the most atrocious part is that the ESI has arbitrarily decided that the per capita medical expenditure should be Rs. 50 per annum per employee and doctors are pulled up if they exceed this limit even in the case of one. This makes nonsense of the concept of insurance against sickness. Can there be a ceiling on sickness caused by heavy work-load?

This is a deliberate attempt to scuttle the security character of the ESI and make it a profit and loss concern, fattening only the administrators. This has nothing to do with the principles of social security. It shows the danger of creating an autonomous organisation free from popular control.

This atrocious provision was meant to lower the benefits and is succeeding in its aim. Only the cheapest drugs are allowed to be prescribed; for costly drugs the handy excuse of non-availability is advanced. This amounts to nothing less than playing with the lives of the working class.

This has been done under the plea that there is lack of finance. It seems that there has been collusion between the corporation, the employers and the Central and State Governments to scuttle the finances of the corporation and squander them when they are available.

According to the original Schedule 1 of the Act, the contribution of the employees and employers were to be in the proportion 1:2. The Central Government, however, amended the Act to permit the employers to make contribution at a much lower rate till 1970, the accepted rate was not restored. Crores of rupees have been dumped in this way to appease the capitalists.

The Central Government has long since stopped contributing to the expenditure of the scheme though both the ESI Committee and ILO experts have argued in favour of the Government bearing part of the cost. They held that without such contribution only limited improvements will be available to the workers. But the Government has refused to share the burden.

The ESI Corporation and the State Governments have colluded in defrauding the Corporation of its legitimate dues and funds.

The 123 rd Report of the Estimates Committee says :

“5.54. The Committee are unhappy over the casual manner in which the Corporation agreed to the reduction in the share of the State Government, lowering the cost of medical care from one-third to one fourth and then to one-eighth, for which there existed no justification whatsoever except that the Corporation had got accumulated funds rendered surplus owing to slow implementation of the scheme. In fact, according to the suggestions of the I. L. O. experts, the share of the State Governments should have been increased from one-third to two-third in the event of extension of medical care to families of workers; surprisingly it was reduced even further from one-fourth to one-eighth. Now the position is that many of the States are not even spending that much per capital amount for medical care under the scheme, which they are otherwise spending on the general population in their respective States. Public health being their primary responsibility under the Constitution, actually it should not require much hair-splitting to make them realise their constitutional obligation and shoulder the burden of a reasonable

share of expenditure under the scheme. The Committee recommend that the matter should be reconsidered by the Corporation which is composed of State representatives also, with a view to raising the State's share to an appropriate level, in any case not less than what each State is normally spending on the general public, and if necessary, the Government of India should also use their good offices in the matter." (Hundred and Twenty-third Report of the Estimates Committee (1969-70), Employees' State Insurance Corporation, pp 100-101).

Pursuing this scuttling operation, the Corporation authorities began to play with the needs of insured persons. At one time, they decided the yardstick of 11 hospital beds for 1000 family units; five years later they scaled it down to 4 beds for 1000 family units. Autonomy indeed!

This enthusiasm for constructing 11 beds per 1000 families and for building hospitals was not, however, the product of altruistic motives. It offered an opportunity to squander the available funds on buildings, till there were no funds to operate. It will be seen that there has been a systematic plan to undermine the scheme while gathering the contributions of the working class.

Against this fraud, against this playing with the health of the overworked workers and their families, against the denial of benefits to them, the trade unions must raise a mighty protest. While adhering to the demand for a non-contributory scheme, we must first demand that the entire ESI should be run under the joint control of the trade unions and representatives of the medical profession, that all benefits be expanded, that standard medical care be made available to workers and their families and that the employees must be made to contribute without fail. It is necessary in fact for the trade unions and the representatives of the medical profession to come together to make suggestions for overhauling the scheme so that the main demands of the workers are met.

It should be realised that the scuttling of the safety rules laid down and of the ESI and PF Acts—the virtual collapse of this legislation constitutes a flank attack of the capitalist class in crisis and must be resisted.

*Appendix***ON MALPRACTICES IN WEST BENGAL**

THE Report of the ESI Enquiry Committee (1971) appointed by the Government of West Bengal has noted certain glaring irregularities in the working of the scheme in the State.

Maintenance and repairs in hospitals:

Maintenance and repairs in almost all the E. S. I. hospitals are in a poor state. The State Public Works Department is charged with the responsibility of maintenance of the hospital buildings, roads, water supply, etc. Correspondence between the Corporation and the P. W. D. and other items of red tape cause unnecessary delay in attending to essential repairs and maintenance in time.

Cleanliness in hospitals:

The inside of the E. S. I. hospital premises generally present a dismal picture of dirt and filth. Patches of damp, soot and cobwebs weave bizarre patterns on walls and ceilings of patients' wards, corridors and offices. Rain water pipes leak and the gutters choke with dross and refuse. Used bandages and gauze covered with dried blood are discarded within the view of patients.

How Panel Doctors Work?

- (a) The Insurance medical practitioners rarely supply any medicine to the insured persons, which they are required to do under the rules.
- (b) Insurance medical practitioners are generally not keen in observing the scheduled clinic hours. In some cases, Insurance medical practitioners do not even open their clinics in the afternoon.
- (c) There are some insurance medical practitioners, especially in the greater Calcutta area who do not reside within two miles of their clinics, although, they are required to do so under the rules.
- (d) It is reported that Insurance medical practitioners generally extend differential treatment to insured persons. The latter are given inferior status as patients, while the private patients get preferential treatment.

(e) Some insurance medical practitioners hold cards in excess of the ceiling limit of 750.

(f) In certain areas the insurance medical practitioner's chamber does not even give the appearance of a clinic. The rooms have a few pieces of furniture. Files of old records packed in gunnies are gathering dust.

(g) Domiciliary visits by Insurance Medical Practitioners are few and far between. It has been found that some Insurance Medical Practitioners refuse to visit even those patients who are lying in a serious condition.

(h) The Committee has observed a lack of seriousness on the part of some insurance medical practitioners who do not care to write prescriptions and certificates, and their compounders act as their representatives.

The Central Medical Store

The Rajya Bima Oushadhalayas cannot have a regular and adequate supply of stores unless the Central Medical Store of the E. S. I. Directorate functions properly. The name, Central Medical Store, is a misnomer today, since it does not stock any medicines or supply medicines to the Hospitals and Rajya Bima Oushadhalayas

Malpractices in the Purchase of Medicines

In actual practice, it is found that tenders are submitted by hand to receiving clerks instead of depositing them in sealed tender boxes. This may lead to the tampering of tenders or of substituting one tender by another in collusion with dishonest assistants.

Corruption in Distribution

Corruption is multifaceted and may originate from any one of the following sources.

- i) Issuing of over-prescriptions.
- ii) Issuing of ghost-prescriptions.
- iii) Selling prescriptions and sharing the sale proceeds.
- iv) Manipulation and submission of inflated bills on forged prescriptions.
- v) Collusion in passing manipulated and inflated bills

The Committee had no doubt that extensive corruption permeates all the sources noted above.

Farce of Inspection

The Committee, therefore, felt that a detailed probe into the present and past cases of corruption could only be carried out by a full-fledged, high-powered Committee.

The plea advanced by the inspectors for not visiting the Insurance medical practitioners' or specialists' clinics, Rajya Bima Oushadhalayas or the chemists' shops, is the non-availability of free transport. It is learnt that they are paid a fixed monthly conveyance allowance of Rs. 100/- for outdoor duties. It cannot, therefore, be understood how the absence of transport could stand in the way of their carrying out of their duties.

Reimbursement and Corruption

It is reported that the method and procedure regarding reimbursement of the cost of medicines are not free from loopholes and that leads to corruption.

Corruption in Hospitals

Apart from the limiting factor of the value of the food to be supplied to patients, the actual quality and quantity of food supplied to patients depends on the honesty of the personnel who receive supplies from the contractors and also on the type of administrative control the hospital authorities exercise on these persons.

The Committee feels that corruption prevails in the hospitals in the matter of receiving deliveries from contractors. The Committee has no doubt that receipts are given to contractors in excess of the quantities actually received and foodgrains supplied are normally below the stipulated provisions of quality and size.

No Benefit for Employees' Default.

The Committee also observed that a large number of insured persons are disentitled to medical benefit as some employers fail to make timely deposits of the contributions to the E. S. I. office. In such cases, Exit Cards are issued debarring those insured persons from medical benefits in spite of their having paid their contributions.