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Title: Motion for consideration of the Employees' State Insurance (Amendment) Bill, 2009 (Motion Adopted and Bill Passed).

THE MINISTER OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE): Mr. Deputy-Speaker, Sir, I beg to move:

"That the Bill further to amend the Employees' State Insurance Act, 1948, be taken into consideration."

...(Interruptions)

MR. DEPUTY-SPEAKER: Please go back to your seats.

...(Interruptions)

SHRI MALLIKARJUN KHARGE: Hon. Deputy-Speaker, Sir, the Employees' State Insurance Scheme is a social security scheme framed under the Employees' State Insurance Act, 1948 providing for payment of cash benefits to the employees in recognized contingencies of sickness, maternity and employment injury. The Scheme also provides for medical benefits for the employees and their families. ...(Interruptions)

उपाध्यक्ष महोदय: केवल मंत्री जी की बात रिकार्ड में जाएगी, बाकी किसी की बात रिकार्ड में नहीं जाएगी।

(Interruptions) *â€

SHRI MALLIKARJUN KHARGE: Keeping in view the changing economic scenario, the Act has been amended from time to time. It was last amended in 1989. On 07.08.2009, the Government introduced 'The Employees' State Insurance (Amendment) Bill, 2009' in Lok Sabha. ...(Interruptions)

14.21 hrs

At this stage, Shri O.S. Manian and some other hon. Members came

and stood on the floor near the Table

...(Interruptions)

SHRI MALLIKARJUN KHARGE: The salient features of the Bill are as follows:â€

- (i) amend Section 2(6-A) to enhance the age limit of the dependants for the purpose of dependants' benefit;
- (ii) amend Section 2(9)(iii) to prevent and avoid misuse;
- (iii) amend Section 2(11) to extend scope of family for the purpose of medical care in case of unmarried Insured Person;
- (iv) amend the definition of "Factory" under Section 2(12) to facilitate coverage of smaller factories;
- (v) amend Section 10 to make DG-ESIC as Chairman of Medical Benefit Council to improve quality of medical benefits;
- (vi) amend Section 12(3) to provide for cessation of membership of an MP on becoming a Minister or Speaker or Deputy Speaker of the House of the People or Deputy Chairman of the Council of State;
- (vii) amend Section 17(2)(a) to enable ESIC to appoint consultants and specialists on contract basis for better delivery of super-speciality services;
- (viii) amend Section 37 to increase public accountability by valuation of assets once in three years from existing five years;
- (ix) amend Section 45, 45A and 97 to redesignate the post of Insurance Inspector as Social Security Officer to correctly reflect the changed job profile;
- (x) amend section 45A to streamline the procedure for determination of contribution;
- (xi) amend section 45AA to provide for an Appellate Authority within the Corporation against assessment to avoid unnecessary litigation;

- (xii) amend section 51-A to 51-D to substitute "employee" for "insured person" with a view to avoid misuse of the employment injury benefits by the insured persons who are no more in insurable employment;
- (xiii) insert new section 51E to provide benefits to workers for the accidents happening while commuting to the place of work and *vice versa*;
- (xiv) substitute third proviso under section 56(3) to empower the Central Government to extend medical treatment to those who retire under Voluntary Retirement Scheme or take premature retirement in addition to those who retire on superannuation;
- (xv) amend section 59 by inserting a new sub-section (3) to enable ESIC to enter into agreement with any local authority, private body or individual for commissioning and running ESI hospitals through third party participation wherever the hospitals are not fully utilised on account of closure of factories or IPs not being available;
- (xvi) (xvi) insert new sub-section 59B to improve the quality of its service delivery and raise infrastructural facilities by opening medical colleges and training facilities in order to increase its medical and para- medical staff;
- (xvii) insert proviso under section 87 to provide for grant of exemption by appropriate Government to factories/establishments only if the employees get substantially similar or superior benefits;
- (xviii) amend section 91A to provide that the exemptions shall be granted only prospectively as the ESIC already has made provision of infrastructure to provide service to the IPs for the past period;
- (xix) insert new section 91AA to provide Central Government as Appropriate Government where the medical benefits are directly provided by ESIC;
- (xx) amend section 95 to enable the Central Government to make rules to decide dependency of the parents on the basis of income;
- (xxi) insert a new Chapter V-A to enable provision for extending medical care to non insured persons against payment of user charges to facilitate providing of medical care to the BPL families and other unorganised sector workers covered under the Rashtriya Swasthya Bima Yojana (RSBY).

...(Interruptions)

MR. DEPUTY-SPEAKER: You may lay the speech, if you like.

...(Interruptions)

*SHRI MALLIKARJUN KHARGE: The hon. Speaker, Lok Sabha referred the Bill introduced in Lok Sabha on 07.08.2009 to the Standing Committee on Labour for examination and report. After detailed examination the Standing Committee presented its report to Parliament on 09.12.2009 and accepted most of the aforesaid amendment proposals. The Standing Committee also made certain recommendations and suggestions most of which have been accepted by the Government. This has necessitated further amendments which are briefly

*â€¡. *This part of the speech was laid on the Table

summarised below:

I. The Standing Committee recommended that the age limit of 21 for dependants may further be increased to 25. This recommendation has been accepted and accordingly amendment is being proposed in the Bill.

II. The Standing Committee also desired to ensure that apprentices (trainees) whose training period is extended indefinitely may be brought under the purview of ESI Scheme. This recommendation has been accepted and accordingly amendment is being proposed in the Bill.

III. The Standing Committee suggested for reducing the duration of notice period from six months to a reasonable period of one month for extension of the provisions of the Act to new classes of establishments by the appropriate government. This has been accepted and amendment has been accordingly proposed.

.M The Standing Committee reiterated the recommendation of the Second National Labour Commission that a 'subsidiary of ESIC should be set up in each State' should be considered and its feasibility evaluated. Following this suggestion, a new sub-section (5) under Section 58 has been proposed that the State Governments may with the previous approval of the Central Government establish such an autonomous organization to provide ESIC benefits to the Insured Persons.

.V The Standing Committee further recommended to enhance the wage ceiling from Rs. 10,000/- to Rs. 15,000/-. The Government has already done it by amending ESI (Central) Rules, 1950. The Notification has been issued in this regard to be effective from 01.05.2010. It does not require amendment in the Act.

VI. The Standing Committee suggested to fill-up the vacant posts in the ESI Hospitals. This suggestion has been duly noted and effective steps have since been taken to fill up large number of vacancies of medical and ParaÂmedical staff. It does not require amendment in the Act.

5 The proposed amendments will ensure coverage of more workers under the ESI Scheme in the organised sector and will also enable the ESI Corporation to participate in schemes such as RSBY that may be framed for the workers in the unorganised sector. The amendments are also aimed at improving service delivery to the existing members of ESI Scheme as well as bringing the provisions of the Act in tune with the changing circumstances.

I hope that the Members of this august House would whole-heartedly support these worker-friendly proposals brought before them. Sir, 21 amendments have been brought before the House and I would like to state that all the amendments are in the interest of poor people and workers. Therefore, I, request that the Bill be considered and passed. ...(*Interruptions*)*

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF WATER RESOURCES (SHRI PAWAN KUMAR BANSAL): Sir, the matter which the hon. Members are raising now, has been raised in the House earlier and the hon. Leader of the house has responded to that. All that I would now say is, as per the assurance of the hon. Minister then, the Government would come later, at the appropriate time to this House. I would request the hon. Members to let the other business be carried out in the House. We have wasted enough time on this. I would urge them, I would request them to allow the House to run.

...(*Interruptions*)

MR. DEPUTY-SPEAKER: Please go back to your seats.

...(*Interruptions*)

MR. DEPUTY-SPEAKER: The question is:

"That the Bill further to amend the Employees' State Insurance Act, 1948, be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER: The House shall now take up clause by clause consideration of the Bill.

...(*Interruptions*)

Motion Re: Suspension of Rule 80 (i)

THE MINISTER OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE): Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to the Government amendment No. 3 to the Employees' State Insurance (Amendment) Bill, 2009 and that this amendment may be allowed to be moved."

MR. DEPUTY-SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to the Government amendment No. 3 to the Employees' State Insurance (Amendment) Bill, 2009 and that this amendment may be allowed to be moved."

The motion was adopted.

New Clause 1A

Amendment made:

Page 1, *after* line 5, *insert* –

'**1A.** In the Employees' State Insurance Act, 1948 (hereinafter referred to as the principal Act), in section 1, in sub-section (5), for the words "six months' " the words "one month's" shall be substituted.'. (3)

(Shri Mallikarjun Kharge)

MR. DEPUTY-SPEAKER: The question is:

"That new clause 1A be added to the Bill."

The motion was adopted.

New clause 1A was added to the Bill.

Clause 2 Amendment of Section-2

Amendments made:

Page 2, *for* lines 1 and 2, *substitute* –

'**2.** In section 2 of the principal Act, --". (4)

Page 2, line 7, --

for "twenty-one years"

substitute "twenty five years". (5)

Page 2, lines 8 and 9, --

for "twenty-one years"

substitute "twenty five years". (6)

Page 2, for lines 10 and 11, substitute

'(B) in clause (9), for the words "or under the standing orders of the establishment", the words "and includes such person engaged as apprentice whose training period is extended to any length of time" shall be substituted.' (7)

(Shri Mallikarjun Kharge)

MR. DEPUTY-SPEAKER: The question is:

"That clause 2, as amended, stand part of the Bill."

The motion was adopted.

Clause 2, as amended, was added to the Bill.

Clauses 3 to 13 were added to the Bill.

Motion Re: Suspension of Rule 80 (i)

THE MINISTER OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE): Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to the Government amendment No. 8 to the Employees' State Insurance (Amendment) Bill, 2009 and that this amendment may be allowed to be moved."

MR. DEPUTY-SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to the Government amendment No. 8 to the Employees' State Insurance (Amendment) Bill, 2009 and that this amendment may be allowed to be moved."

The motion was adopted.

New Clause 13A

Amendment made:

Page 3, after line 40, insert

'13A. In section 58 of the principal Act, after sub-section (4), the following sub-sections shall be inserted, namelyâ€”

"(5) The State Government may, in addition to the Corporation under this Act, with the previous approval of the Central Government, establish such organization (by whatever name called), to provide for certain benefits to employees in case of sickness, maternity and employment injury:

Provided that any reference to the State Government in the Act shall also include reference to the organization as and when such organization is established by the State Government.

(6) The organization referred to in sub-section (5) shall have such structure and discharge functions, exercise powers and undertake such activities as may be prescribed." ' . (8)

(Shri Mallikarjun Kharge)

MR. DEPUTY-SPEAKER: The question is:

"That new clause 13A be added to the Bill. "

The motion was adopted.

New clause 13A was added to the Bill.

Clauses 14 to 21 were added to the Bill.

Motion Re: Suspension of Rule 80(i)

SHRI MALLIKARJUN KHARGE: Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to the Government amendment No.9 to the Employees' State Insurance (Amendment) Bill, 2009 and that this amendment may be allowed to be moved. "

MR. DEPUTY-SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to the Government amendment No.9 to the Employees' State Insurance (Amendment) Bill, 2009 and that this amendment may be allowed to be moved. "

The motion was adopted.

New Clause 21 A

Amendment made:

Page 5, *after* line 37, *insertâ€”*

'21 A. In section 96 of the principal Act, in sub-section (1), after

clause (e), the following clause shall be inserted, namely:-

"(ee) the organizational structure, functions, powers, activities and other matters for the establishment of the organization;" ' (9)

(Shri Mallikarjun Kharge)

MR. DEPUTY-SPEAKER: The question is:

"That new clause 21A be added to the Bill."

The motion was adopted.

New clause 21A was added to the Bill.

Clause 22 was added to the Bill.

Clause 1 Short title and commencement

Amendment made:

Page 1, line 2,--

for "2009"

substitute "2010". (2)

(Shri Mallikarjun Kharge)

MR. DEPUTY-SPEAKER: The question is:

"That clause 1, as amended, stand part of the Bill. "

The motion was adopted.

Clause 1, as amended, was added to the Bill.

Enacting Formula

Amendment made:

Page 1, line 1,--

for "Sixtieth"

substitute "Sixty-first". (1)

(Shri Mallikarjun Kharge)

MR. DEPUTY-SPEAKER: The question is:

"That the Enacting Formula, as amended, stand part of the Bill. "

The motion was adopted.

The Enacting Formula, as amended, was added to the Bill.

The Long Title was added to the Bill.

...(Interruptions)

MR. DEPUTY-SPEAKER: The Minister may now move that the Bill, as amended, be passed.

SHRI MALLIKARJUN KHARGE: I beg to move:

"That the Bill, as amended, be passed".

MR. DEPUTY-SPEAKER: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

...(Interruptions)

