

18-06 hrs.

**\*EMPLOYEES' STATE INSURANCE  
SCHEME**

**Shri T. B. Vittal Rao** (Khammam):  
Mr. Deputy-Speaker, Sir, I raise this half-an-hour discussion to draw the attention of the House to the immediate need for the extension of medical benefits to the families of the insured employees in the cities of Bombay and Madras under the Employees' State Insurance Corporation. Last year in February when the question was asked whether the State Governments of Bombay, West Bengal and Madras have agreed to the suggestion that the medical benefits to the insured workers' families should be extended during 1959 and, if so, whether the extension will be enforced simultaneously in Bombay, Calcutta and Madras the hon. Deputy Minister, Shri Abid Ali, replied:

"The Governments of Bombay and Madras have agreed to the extension of medical care to insured workers' families during 1959. The matter is being pursued with the West Bengal Government who have not so far taken a final decision."

As to whether it will be enforced simultaneously, he said "No".

Now when a question was asked this year, exactly after a little over one year, the hon. Minister has replied in the following way:

"Due to shortage of personnel and accommodation, the State Government could not complete necessary arrangements for extending medical care to workers' families in Bombay and Madras."

This is the state of affairs exactly after a year. Whereas a categorical assurance was given that the State Governments of Madras and Bombay have agreed for the extension. Further, I had asked in part (b) of the question whether any firm date has

been fixed for this extension and enforcement, the hon. Minister replied "no". This is the state of affairs with regard to this Employees' State Insurance Corporation.

The statement that there is a shortage of medical personnel does not accord with the real situation. On the other hand in these cities there are more doctors than are needed. I would like to refer to the introduction to the annual report of the Corporation for the year 1958-59. In the introduction it is stated as follows:

"The year 1958-59 was eventful in the history of social security in India. It saw the fulfilment of the hope expressed last year of medical care being provided to the families of insured persons."

In the second paragraph that the valuers' report for the five years was received and the report confirmed the sound financial position of the scheme. It also said that the Corporation could plan the future course of action with greater confidence. This is what has been stated. I think now we will have to begin the introduction to the annual report for 1959-60 with a dismal failure on the part of the Government in extending these facilities for the insured workers in Madras and Bombay.

Even a firm date could not be given as to the extension. In the month of January, 1960 there had been a Labour Ministers' Conference in Delhi. What was the conclusion reached at this conference? It was that the scheme should be extended to insured persons and their families in various areas in accordance with the revised programme worked out by the Corporation. This is the conclusion reached in January at a conference wherein every State Government was represented, and when we ask for a firm date with regard to only two cities, the reply is "No". Then, what is this conclusion for, why this conference? When it has been decided there that it is to be extended on a

\*Half-an-hour discussion.

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planned basis, is this the way we should function?

What is the yardstick to measure the benefits and the performance of this Corporation? It is the extension of medical benefits to the satisfaction of the insured workers and their families. It is unfortunate that while there is planning in everything, whenever it comes to the question of workers, industrial workers, there does not seem to be any plan. Even if there is a plan and a programme, it is not implemented in right earnest, and that is true of this case

I can cite instances where the Minister has given assurance on the floor of the House that such and such a thing would be done during 1959, and where, when a question is asked about the position at the beginning of 1960, he has said that another year will be taken. I can cite them, but I do not like to take the time of the House by quoting such instances

Even for restricted facilities, there must be dispensaries and hospitals. What is the position of hospitals? A decision was taken in 1959 to construct a hospital at Madras. After one year what is the great task that has been performed by the Central Corporation and the State Governments? A site has been acquired at Madras and it has been cleared. I do not know when the construction of the hospital will be completed. It will take a year or two more. And then, even to this day, order has not been placed for the equipment needed for the hospital. Therefore, after the construction of the building is over, it will take one more year for getting the equipment. The foundation of the hospital at Bombay was laid two years ago, still it has not been completed. Is this the way progress is to be made, and how can you call this an eventful year in the history of social security in India?

As a matter of fact, we are in the elementary stages in India with re-

gard to social security for the industrial workers, and the worker who contributes does not derive any benefit. The contribution of the employees has been considerably more than that of the employers, but the employers also criticise the functioning of this Corporation. At the annual meetings of the Federation of Indian Chambers of Commerce every year you will see one or two speakers referring to the huge reserve fund that has accumulated with the Corporation. The reserves at the end of the last year were Rs. 16 crores, and it is likely to be much more this year.

How has this reserve fund accumulated? The employees even today contribute nearly 50 per cent. more than the total contribution of the employers. Then again there is no question of increasing the rate of contribution of the employers, because the Government dare not do it, because they have not utilised the funds available with the Corporation. How can they dare increase the rate of contribution of the employers?

Then I come to the question of these meetings. Recently there has been the resignation of the Director-General. Of course, the resignation has been accepted, but I do not know whether permission was given by the Minister of Labour and Employment for the circulation of the letter of resignation to the Members of the Corporation and the Standing Committee, and I consider it very highly objectionable.

**The Minister of Labour and Employment and Planning (Shri Nanda):** What was objectionable?

**Shri T. B. Vittal Rao:** May I know whether permission was given by Government for the circulation of his resignation letter and also for the disclosure of the ground for resignation?

**Shri Nanda:** No.

**Shri T. B. Vittal Rao:** It is good that the resignation has been accepted.

I suggest that a firm date be fixed at least in respect of these two cities, Bombay and Madras. I do not know what the position will be with regard to Ahmedabad. Even now, the scheme has not been extended there. In one of the consultative committee meetings, we were told that on January 26th, 1960, the scheme will be extended. But we do not know what the latest position is. I would strongly urge upon Government to see that it is extended at least to Madras and Bombay, where there is a large number of workers concentrated, and then we can think of Calcutta.

So far as Calcutta is concerned, the State Government have all along been opposing the extension of this scheme and having separate hospitals and so on and so forth. Therefore, I would not go into that question about Calcutta.

At the same time, for proper functioning, I have one suggestion to make, namely that the meeting of the Standing Committee of the corporation should hereafter be held not only in Delhi but in the various centres, so that on one day, the members of the committee could devote their time to the items on the agenda, and on the next day, they may visit the various centres where there are dispensaries and hospitals and make an on-the-spot study of the grievances of the workers, and various things connected with these, and see that these are attended to immediately.

Finally, I would request the hon. Minister to lay down, as per the decision reached at the last Labour Ministers' Conference, a time-schedule for the extension of this scheme to the insured workers and their families in Bombay and Madras at least.

**Shri S. M. Banerjee (Kanpur):** During the Question Hour, the question was asked pertaining only to Madras and Bombay. But I did raise some question about having a hospital at Kanpur. My object in raising that question was this. In reply to a previous question, the hon. Minister very kindly replied that the

foundation stone of this hospital would be laid in the month of February. I very patiently waited up to February, and on 4th March, I did raise this question. For, I feel that in Kanpur, there is no difficulty about land, and my information is that land has been acquired. I want to know from the hon. Minister what has happened to this foundation and the stone, which is not available?

**Shri T. B. Vittal Rao:** Even for foundation, a date was fixed.

**Shri S. M. Banerjee:** I was told that it would be laid in February. In January, a decision was taken at the Labour Ministers' Conference that the scheme should be extended to the insured persons and their families in the various areas, in accordance with the revised programme worked out by the Employees' State Insurance Corporation. Now, this benefit is being extended to the family members.

My submission is that in a city like Calcutta, Bombay, Madras or Kanpur, this scheme will not be availed of as such unless there is a proper hospital.

I want a specific reply from the hon. Minister to the question as to when Kanpur is going to have a hospital. As it is, the foundation-stone may console people for another two years, but when will the hospital be ready?

**Dr. Malkote (Raichur):** Before the introduction of the scheme, mill-owners, industrialists and others who had hospitals of their own gave the benefit of relief to the workers and their families. When the workers were asked to join this scheme, it was generally understood that the scheme would be extended to the families of the workers, and that was the promise held out. But it is really a matter of concern that it has not been extended to the families of the workers even now.

Apart from this, the fact that Calcutta, or in particular, Bengal

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should object to the introduction on the ground of paucity of medical men is rather a matter of serious concern again.

**Mr. Deputy-Speaker:** There is no time for speeches now. The hon. Member can only ask a question.

**Dr. Malkote:** If there is any place in India where medical men are in excess, it is in Bengal. I would like to know what objection the Bengal Government have for the introduction of this scheme to the workers and their families in Bengal in particular.

**Shri Nanda:** I admire the perseverance of the hon. Member who has raised this discussion. He has been pursuing this matter through a series of questions over the last year or more, and now we have this discussion. He has expressed his concern; other Members have also done so, about the delay in the extension of the benefit to families of insured persons. I personally, and all of us in this House, share this concern deeply. And, I will have to answer why in spite of fact that we have been extending the hope—almost given promises—that this particular benefit will be extended to families of insured persons in many places—particularly to the cities which have been mentioned by the hon. Member in his questions and now in the course of his observations—this has not been done.

I would, in the first place, inform the hon. Member—he should be aware of it himself—the basic facts of the situation, the situation so far as the capacity of the Government is concerned, to absolutely ensure the performance of a certain understanding that might have been reached between the Corporation and the States. We have got our limitations in this respect.

It is very obvious that Government is not functioning directly in this field.

It is functioning through a Corporation established under a legislation of Parliament. There is an Act governing the administration of this Corporation. And that Act provides that the medical benefit will be administered by the States. Therefore, there is the Corporation; there are the States and the Central Government has got certain functions.

Now, we are certainly answerable here for whatever is being done or wherever, in any matter, there is lack of progress. We have to explain that. But, let us be clear that when a reference is made to an answer given on a certain date, and then to an answer after a few months which appears not to be very helpful, then the plain answer is that we have got the information from the Corporation. The Corporation gets the information from the States; and we can give the information that we have. But I do not content myself with that. It is our business and it is our duty to pursue it to whatever extent it is possible, of course within those limitations. And, therefore, there is no contradiction. On the date when the first answer was given regarding the acceptance of a certain phased programme, the facts accorded with that answer.

The Corporation had framed a certain schedule and sent it on to the States and there was a tentative acceptance by them that they will carry out that programme.

A month later, it appeared that when the State Administrations applied their minds to the task involved, they confronted us with their picture which was not quite as optimistic and hopeful as we had at the start. And, we were told that owing to certain difficulties it was not possible for them to adhere to those dates. Now, we have been asked about these difficulties. What are the difficulties?

There are some general hindrances in the way of more rapid progress.

The most prominent and persistent of the difficulties has been the difficulty of accommodation everywhere, not so much of difficulty about the doctors. At any rate, I can say at once that in Calcutta the difficulty is not the lack of doctors. There is some difficulty about securing adequate number of medical personnel in other places but chiefly the difficulty is about accommodation. May I inform the hon. Member about the position in different States as we have it now?

The Bengal Government has not even accepted this in principle. They have taken a certain view of the legal obligations arising out of the acceptance. Their view is that there cannot be given any differential treatment as between the insured worker and his family and therefore, the programme of restricted benefit will not be good in law. We have not shared that opinion and we are having that position examined in our Law Ministry. Therefore, it is an outright "no" for the time being. So, they have not taken any decision that the other benefits are to be extended to the families. Therefore, that question does not remain for the moment, till the position is cleared.

In Madras they said in the beginning that they would be able to go ahead by a certain date. But they made it very clear even then that the first priority was to complete the work of extension of the benefit to the insured worker in all the centres. They had a certain number of centres for which they were not able to make provision then. Some delay has been there in that but that position stands so far as Madras is concerned.

In Bombay the decision taken in the beginning was that they would first start with the workers and their families of workers in Ahmedabad and after that they would come to Bombay. For various reasons—it may take a long time for me to explain them and those reasons have become acute now in view of the political changes that are taking place, that is, the reconstruction of Bombay or

Maharashtra or whatever it is and Gujarat and because of the change in the administrative set-up the question of accommodation becomes an extremely difficult matter and possibly it is going to be further prolonged there—there have been these difficulties. It will take sometime to start in Ahmedabad and as soon as it is done they will take up Bombay.

The explanation for delay in all these places has been that they could not immediately assume this responsibility because they have difficulties about accommodation. I hope the hon. Member will not say that the accommodation difficulties are only in imagination. He knows sufficiently the conditions in these places. It is not an easy thing to obtain accommodation for hospitals or even dispensaries. I have gone over certain places and I find that dispensary accommodation is not good at all. Yet we are trying to tolerate it because we have not immediately got anything better.

I have explained the position. The dates were given in good faith by them and by us. If the hon. Member's point is that we should not do that, well, I think we should be possibly more cautious about giving dates. It might be helpful. We will ask the States to explain the difficulties.

I shall explain now the question about firm dates. It is very true that resources are not coming in the way. There is money. The argument that employers are paying less to the employees is not relevant. The money is there. The employers as a whole are not paying less. It is only that they have distributed the burden among themselves, among those where the implementation has taken place and those where it has not yet taken place. If as the hon. Member has suggested the annual report should declare the fact of lack of progress very openly, I think I will convey this objection to the Corporation and ask them to acknowledge the fact that they have not been able to make

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sufficient progress and give reasons for the same.

Now about hospitals. What is the future prospect in this matter? I shall take up that first. I have been personally exceedingly keen about this matter, that these things should not be held up, and whatever is obstructing the progress those obstacles should be removed. The Labour Ministers' Conference was called just for this purpose. They discussed some other things also, but that was the primary intention and object of that Conference. This matter was discussed at very great length with them. I also discussed this in the Health Ministers' Conference because some Health Ministers are also concerned with this. I made a request and strongly pleaded that there should be no delays if it could be helped.

Therefore, in consultation with them a fresh phased programme was sent. I have sent personal letters to them forwarding the fresh phased programme and asking them whether they accept it. We said that we will go into all details with them and if there was anything that we could do we would do that. In most cases it has been accepted—of course, there may be certain changes in some cases. Bombay, for example, have accepted the date, but still with the reservation that for lack of accommodation they may not succeed fully.

In the case of Madras the position is that they believe that the three or four centres which remain to be covered will also be done soon in another few months. They will make a start with regard to families by October, this year in Coimbatore and then extend it. Regarding Madras, therefore, the date is as firm as the words that have been conveyed to me.

In Calcutta the question is not there at all. Bombay has said that so far as Vidarbha is concerned by October this year they will be able to make a start there and in Greater Bombay

by 1st January, 1961. For Ahmedabad I need not mention the date because it is very far away—If you want to know it, it is April, 1962.

**Shri S. M. Banerjee:** You have not said anything about Kanpur.

**Shri Nanda:** I will come to the question of hospitals. There is one other State which has not been able to do it.

I may tell you that this decision was taken, of course, sometime earlier but a start was to have been after the 31st March. It was in May, 1958 at the Naini Tal Conference that we cleared the obstacles regarding contribution of the State and all things were settled. Then the start was made. Therefore, please bear in mind that this thing was started in May, 1958, and you have to judge the progress from the date the start was made. By 31st March, 1959, the scheme was extended so as to cover about 2,12,000 family units. In the course of a few months it was done. By now, 4,75,000 have been covered. So, in a year or so, this was done. So, it cannot be said that no progress has been made in certain areas. I have mentioned three States and there is the fourth State which was not able to do it and that is Kerala. They accepted it and they are very keen to do it but they could not go ahead. They could not complete it and implement it. The chief reason given was that there was a lack of doctors. That is the particular reason which, the hon. Member mentioned was not applicable, but, that at any rate, has come from this State where they are not able to secure the requisite medical personnel.

I have covered the position regarding the dates and the reasons, so far. Only one or two more points remain. One is about the meetings of the committee, etc. I shall convey the suggestion to the authority concerned.

## Scheme

About the hospitals, I have been giving my personal attention to this question.

**Mr. Deputy-Speaker:** Only about the Kanpur hospital.

**Shri Nanda:** I shall come to the Kanpur hospital last. The hon. Member concerned is very impatient and I want to keep him in suspense! We have got the schedules fixed. The progress in Bombay is, land has been acquired. In Madras which was mentioned particularly, the position is that the estimates have been made and sanctioned and accepted, and all the approvals have been given. The materials have been secured and the preliminary works started. As to the equipment, I do not want to put the equipment here out in the open. It should synchronise, of course, and it should not be far behind. That is perfectly true.

The only thing remaining is about Kanpur. It may be that the hon. Member's visits to Kanpur are possibly less frequent now than they used to be. Otherwise, he would have been himself informed about the progress there. Land was acquired, as he said.

But something more also has been done. I am sure that the foundation possibly is as deep as it should be! Some more work is also being done. But something has been done, and the construction is starting.

**Shri S. M. Banerjee:** Construction has not started. Land has been acquired.

**Shri Nanda:** This is my information. I visited the place on a certain date and on that date the plot was shown to me. After that, I have just equired and I am told that the work of construction has started—whatever that word means. It may be that there was no tomtomring. It may be there was no publicity given to it, and the particular foundation-stone which the hon. Member may have in mind has not been laid in that way perhaps. But I think work has been started without too much ceremony and without too much publicising.

18.39 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, the 22nd March, 1960/Chaitra 2, 1882 (Saka).*