An Empirical Study on ESI Benefits: Employer Perception (With reference to select establishments in costal Andhra Pradesh)

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ABSTRACT

The Employees’ State Insurance Act, enacted in April 1948, was one of the first major pieces of social security legislations enacted after the partition of British India. The problem of social security had attracted the attention of the Government of India as early as 1927, in connection with the ratification of the draft Convention on social insurance passed at the tenth session of the International Labor Conference, in that year. In 1931 a Royal Commission on Labor recommended the introduction of a sickness insurance program. Social security is essentially a term of the Trans-Atlantic origin. It was in 1935 that the term was authoritatively used for the first time when the U.S. social security was passed to provide the schemes of unemployment, sickness and old age insurance. Three Years later in the Year 1938, the same term was adopted by New Zealand where first time a comprehensive social security system- a measure of income security for all citizens. In 1941, the Atlantic charter also contemplated the importance of the social security of labour. In the post Independence India the ESI Act 1948 is the first of its kind in South-East Asia and marks the first attempt at introducing a compulsory integrated system of social insurance covering health, maternity and accident benefits. Being a pioneer measure in the field of social insurance, there were certain practical difficulties in putting it into force throughout India simultaneously. A plan of phased application of the Act was, therefore, drawn up. The implementation of the plan had to be deferred at the last moment owing to some objections received from employers. Subsequently the Act was amended in 1951 to overcome these objections and to remove a few other lacunae in the Act. The act applies to whole of India and applies to all factories other than seasonal factories that it can be extended partially or wholly to any establishment or class of establishment, industrial, commercial, agricultural or otherwise. The administration of the Insurance scheme framed under the act, has been entrust to an autonomous body called the ‘Employee State Insurance Corporation’ consisting of representatives of the central and state Governments, employers’ and employees’ organizations, medical profession and members of the parliament. The union Minister for Labour and Employment is the Chairman and the Minister for Health is the vice-chairman of the corporation. The benefits provided under the act are sickness benefit, maternity benefit, disablement benefit, dependent benefit, funeral benefit; medical benefit etc. The objective of the study is to know the employer perception on the Employees State Insurance benefits in selected establishments of costal Andhra Pradesh under study.

Keywords---- Social Security, Employees State Insurance Scheme, Social Insurance.

I. INTRODUCTION

The first major social security program in Southeast Asia came into operation in India on February 24, 1952. The Employees’ State Insurance Act, which established the program, provides for medical services, continuing cash benefits due to employment injury or death, cash sickness benefits during periods of wage loss, and cash maternity benefits. Two earlier measures providing some social security to industrial workers already existed in India. These were the Workmen’s Compensation Act of 1923 and the various State maternity benefit acts. Experience showed that both measures left much to be desired. Lump sum payments under the Workmen’s Compensation Act were not satisfactory, since such payments are usually spent by the workers as soon as they are received and the disabled workers are left without continuing income. The various State maternity benefit acts were neither uniform nor universal, and, since each employer bore directly the cost of such benefits, employers often dismiss a woman worker on the first indication of pregnancy. These and other defects in the administration of the earlier laws were remedied in part when the 1948 legislation was enacted. After the passage of the Employees’ State Insurance Act in 1948, a plan for its progressive application to various regions in the country was drawn up by the Employees’ State Insurance
Corporation, the agency that had been set up to administer the program. As the problem was new to the country and involved setting up a new technical organization, the Corporation did not think it possible to implement the program throughout the country simultaneously. According to the plan, it was proposed to implement the program first in Kanpur and Delhi, now it has been functioning effectively throughout the country by covering the majority of labour working in the organized sector.

The quest for social security and freedom from want and distress has been the consistent urge of man through ages. This urge has assumed several forms, according to the needs of the people and their level of social consciousness, the advancement of technology and the pace of economic development. From its modest beginnings in a few countries in the early decades of the last century, social security has now become a fact of life for millions of people throughout the world. Social security measures have introduced an element of stability and protection in the midst of the stresses and strains of modern life. It is a major aspect of public policy today and the extent of its prevalence is a measure of the progress made by a country towards the ideal of a welfare state.

II. CONCEPT OF SOCIAL SECURITY

Social security is essentially a term of the Trans-Atlantic origin. It was in 1935 that the term was authoritatively used for the first time when the U.S. social security was passed and a social security board was established to govern and administer the schemes of unemployment, sickness and old age insurance. Three Years later in the Year 1938, the same term was adopted by New Zealand when it created for the first time a comprehensive social security system- a measure of income security for all citizens. In 1941, the Atlantic charter contemplated at the fullest collaboration between all nations in the economic field with the object of securing for all, improved labour standards, economic advancement and social security.

In the Encyclopedia of social work, social security has been defined as “the endeavour of the community, as a whole, to afford itself to the utmost extent possible to any individual during periods of physical distress inevitable on illness or injury and from the economic distress consequent on reduction or loss of earnings due to illness, disablement, maternity, unemployment, old age or death of working member”.

III. NEED OF THE E.S.I

The ESI Act’1948 is the first of its kind in South-East Asia and marks the first attempt at introducing a compulsory integrated system of social insurance covering health, maternity and accident benefits. Being a pioneer measure in the field of social insurance, there were certain practical difficulties in putting it into force throughout India simultaneously. A plan of phased application of the Act was, therefore, drawn up. The implementation of the plan had to be deferred at the last moment owing to some objections received from employers. Subsequently the Act was amended in 1951 to overcome these objections and to remove a few other lacunae in the Act. The act applies to whole of India and applies to all factories other than seasonal factories, run with power and employing 20 or more persons; but contains a provision that it can be extended partially or wholly to any establishment or class of establishment, industrial, commercial, agricultural or otherwise. The Act covers all employees, manual, clerical and supervisory and employees engaged by and through contractors, whose remuneration does not exceed Rs.100 a month and are connected with any work of, or incidental or preliminary to connected with the work of the factory or establishment to which it applies, but does not include any members of the Indian Naval Force, Military or Air Force. By an Amendment Act 1966, the Act has been made applicable to any person employed for wages on any work connected with the administration of the factory or establishment or any part, department or branch thereof or with the purchase of raw material or the distribution or sale of the products of the factory or establishment.

The administration of the Insurance scheme, framed under the Act, has been entrusted to an autonomous body called the “Employees’ State Insurance Corporation” consisting of representatives of the central and state Governments, employers’ and employees’ organizations, medical profession and members of the parliament. The union Minister for Labour and Employment is the Chairman and the Minister for Health is the vice-chairman of the corporation. A smaller body known as the standing committee, elected from among the members of the corporation, is to work as the executive of the corporation. A medical Benefit council advises the corporation on matters relating to the administration of medical benefits, etc. the chief Executive officer of the corporation is the Director-General who functions through a network of Regional and Local offices. State-wise Regional Boards have also been constituted.

The scheme is financed by the Employees’ State Insurance Fund consisting of contributions from employers and employees and grants donations and gifts from central and state Governments, local authorities or any individual or body. As regards the employers, the Amendment of 1951 laid down that instead of paying contributions as per rates fixed under the original Act, they shall pay a special contribution, at a rate to be specified by the central Government but not exceeding five percent of their total wage bill. The rate was fixed at three-quarter percentage of the total wage bill all over India which an additional half percent, i.e., one and quarter percent in all, for employers at those places where the scheme is implemented and where the
employers have been relieved of the liability under the Workman’s Compensation and Maternity Benefit Acts.

Two conventions on health of workers in industry, commerce and agriculture were adopted in 1927 by the International Labour Conference. The question about health insurance was also discussed by the Royal Commission on Labour, and a tentative scheme of health insurance was proposed in its comprehensive report in 1931. Its recommendations on the adoption of a health insurance scheme were not accepted by the Government of India because of financial difficulties. State Government also did not favour the proposal. The Bombay Textile Labour Enquiry Committee discussed this problem, which was further considered by the first three conferences of Labour Ministers in 1940, 1941 and 1942. All these built up a lot of pressure on the Government.

The one-man committee of Professor B.P. Adakar, set up in March 1943, submitted its report on a scheme of health insurance for industrial workers in August 1944. It recommended a compulsory and contributory health insurance scheme for workers in perennial factories in three groups of industries, namely textiles, engineering, minerals, and metals. In 1945, the scheme was reviewed by M.Stack and R.Rao, who agreed that it should be completed after some modifications. Bearing all these modifications and recommendations in mind, the Government of India passed the Employee’s State Insurance Act in April 1948, which provides cash benefit in contingencies of sickness, maternity and employment injury, but did not provide security in such contingencies as unemployment and old age. The dependents of workers who died as a result of any employment injury were paid compensation in the form of a pension.

The scheme started with coverage at about 1.20 lakh industrial workers in Kanpur and Delhi on 24th February, 1952. It has continued to progress over all these years. By the end of March 1974, 350 industrial centers and about 4.3 million workers were covered under this Act. This number later rose to 18 million, when the Act was extended to cover the workers’ families as well. By the end of March 1976, there were 388 centers covering nearly 22 million beneficiaries under this scheme. At the end of 1983-84, the total number of beds constructed in ESI hospitals and annexes was 17,839. The All-India rate of new attendance per 1000 insured persons (1983-84) was 2,835, while that of the old attendance was 4,893. The total number of employees and insured persons under the scheme at the end of 1995-96 was respectively 66.13 and 73.03 lakh insured persons. The total number of beneficiaries entitled to medical care was 283.35 lakh at the end of 1995-96.

The ESI schemes offer both direct and indirect medical care. The direct method is called the “service system” by which the ESI Corporation provides medical care, either through its own Employees’ State Insurance Hospital or through reservation of beds in State Government hospitals. The indirect method is known as the “panel system”, under which medical care is provided through private doctors selected by the State Government with the approval of the ESI Corporation.

The benefits provided under the Act are -

a) Sickness Benefit
b) Maternity Benefit
c) Disablement Benefit
d) Dependent Benefit
e) Medical Benefit.
f) Funeral Benefit

All the workers, earning less than Rs.3,000 per month and employed in power-run factories employing 20 or more persons are covered by this scheme. However, it does not cover workers employed by seasonal factories. An insured person under ESI scheme is not eligible for similar benefits under the Workmen’s Compensation Act and State Acts relating to maternity benefit.

Organisation

As provided under the ESI Act, the Scheme is administered by a duly constituted corporate body called the “Employees’ State Insurance Corporation (ESIC)”. It comprises members representing Central and State Governments, Employers, Employees, Parliament and the medical profession. Union Minister of Labour & Employment functions as Chairman of the Corporation whereas the Director General, as its chief executive, discharges the duty of running the day-to-day administration.
The Corporation has tie up arrangements with advanced medical institutions in the country, both in the public and private sector. The medical benefit is administered with the active cooperation of the State Governments. The payment of cash benefits is made at the grass roots level through as many as 799 Branch Offices and Pay Offices.

ESIC IT project Panchadeep, one of the largest e-governance projects is under the implementation at present. All ESI institutions are being networked under this project for enabling IPs and their family members to avail ESI benefits anywhere any time two smart cards christened as “Pehchan Cards”, one for insured person and the other for the family are being issued.

IV. ROLE OF THE EMPLOYER

In order to derive the highest social security environment in the country and for effective implementation of the ESI scheme the role of the employer is vital and affirmative. Labour laws are drafted uniformly for all enterprises and some exemption is provided under the common laws for smaller establishments. There is need to draft one single labour legislation applicable to all establishments employing less than 20 persons. Such legislation will provide for safety and social security of workers. Business linkages between large and small enterprises should be fostered and be utilised voluntarily by the large enterprise to deliver social security benefits to labour in the small enterprises.

One of the reasons for rigidity in labour laws is that the ‘employer’ is expected to provide, individually, for security of employment (i.e., guarding against risks of loss of job, family sickness), retirement benefits and bear the costs of accidents and other occupation-related risk compensation. This happens because the labour market institutions, which are designed to provide social security to the workers, have a narrow reach, are almost exclusively administered by the Central Government, provide security at a high cost, are highly specific to individual employers and lack the concepts of ‘shared risk’. Therefore, a more innovative and broad-based social security system like ESI is needed to smoothen the process of enhanced social security of labour for both organized and unorganized sectors.

It is the obligation of the employer as per the act to extend the ESI benefits / coverage with an affirmative view for providing the social security needs of the labour, else they should not explore any corner ways to evade the same, aiming to dodge the taxes and other costs to be incurred on the part of the employer. Therefore, employers’ moral enthusiasm and initiative is highly inevitable for effective implementation of the scheme.

V. REVIEW OF LITERATURE

The world over there is a growing interest in the area of social security. In India, many committees and study groups have conducted studies on the existing social security schemes, particularly on the Employees’ state Insurance scheme. These committees and groups have clearly indicated that social security is the quanon of the economic system. A review of such attempts will be apt at this juncture.

A committee (1981) set up the Ministry of Labour Government of India, to review the working of the Employees’ State Insurance scheme proposed to include children up to the age of 21 years and infirm children without any age restriction in the definition of family so as to make them eligible for medical benefit under the Employees’ State Insurance Act. It also proposed to increase the number of representatives of the organisation of employers and employees in the Employees’ State Insurance Corporation. A provision is also being made for setting up of independent machinery for recovery of arrears through State machinery has caused a lot of delay.

Richard Mitchell, Petra Mahy and Peter Gahan (2012) worked on “The evolution of labour law in India: an overview and commentary on regulatory objectives and development” In this paper we are aiming to provide a broad overview of the development of labour law in India. Two notes of caution are due. First, the Indian system of labour laws is very extensive and dauntingly complex. Our descriptions of the laws (mainly legislation) are very general, and are intended only to sketch out the broad parameters of Indian government policy in the regulation of employment relationships and labour markets. Secondly, we are drawing basically from secondary sources, and attempting to put the development of the law into a broader socio-political context. In particular we intend to examine the evolution of Indian labour law from two perspectives. The first of these deals with the important time periods through which the law has progressed since the earliest regulation of the nineteenth century. The second deals with the quality, purpose and impact of Indian labour law. Here we are interested not merely in what we think Indian labour law sets out to do, but also particularly in the various uncertainties and ambiguities which seem to characterize the way in which Indian labour law has been perceived by scholars and experts over the course of its development. We conclude with a consideration of what particular aspects of the Indian political economy have meant for Indian labour law, and what this might mean for the study of labour law more generally.
VI. SCOPE OF THE STUDY

The Employees’ State Insurance Act is a major legislation on social security for workers in Independent India. The Employees’ state Insurance scheme as per the ESI Act provides social protection to employees in the Industrial sector and their dependents. The scheme engineered to suit the health insurance requirement of employees, provide medical care to the insured persons and their dependents, as well as the cash benefits to compensate for loss of wage or of earning capacity in different contingencies. The present study has been undertaken to examine the working of the Employees’ State Insurance Benefits and Employer perception with reference to select establishments in costal Andhra Pradesh.

VII. RESEARCH GAP

Since, it is finding that very less study and research has been made on ESI scheme benefits and its effectiveness for achieving the desired objects of social security through ESIC. Therefore, there is a wide scope and need to study on the current issue to rectify the lacunas in implementation of the scheme and for improving the coverage and service delivery systems effectively.

VIII. NEED OF THE PRESENT STUDY

One of the foremost necessities of the present study is confined to evaluate effectiveness of the ESI benefits and employers’ perception. The establishments / sectors undertaken for study are both public and private sectors.

IX. OBJECTIVES OF THE STUDY

The objective of the study is to know the employee perceptions on the Employees State Insurance benefits in selected establishments in costal Andhra Pradesh i.e.,

The following are the specific objectives for the study 1. To Study the employer perception & commitment/obligation on ESI benefits like Sickness Benefit, Maternity Benefit, Disablement Benefit, Dependent Benefit, Medical benefit and Funeral Benefit etc.
2. To examine the relationship between the socio economic factors and benefits of ESI.
3. To offer suggestions based on the study for effective delivery of the services covered under ESI.

X. METHODOLOGY

Social security is a dynamic concept that aims upholding human dignity through participatory approach and collective social action in the event of economic distress and physical suffering arising from death, disease disablement. The system is based on the principle of pooling smaller resources for larger individual and collective social gains. Thus, while taking care for welfare of individuals, the social security systems protect and preserve the social usefulness of productive manpower a pre requisite for achieving higher or better levels of productivity. Economic liberalization and highly competitive global market trend further underline the need for a fool proof social security system for the country’s workforce if it is to forge ahead successfully on the chosen path of progress and prosperity through industrialization. In order to correlate the effectiveness and perception of the employer on ESI benefits case study method is adopted.

Collection of Data

Both primary and secondary data were used for the study. The primary data were collected from the respondents based on structured interview schedule. The secondary data were collected from the publication of the ESI Corporation, reports, books and periodicals.

XI. RESULTS & DISCUSSION

Majority of the respondents are aware about the ESI benefits under the ESI act 1948 and liability of the employer as per the provisions of the said act.

Most of the respondents are satisfied with the services of the ESI Corporation for effective implementation of the scheme benefits for all eligible labour working in their establishments.

And most of the respondents are satisfied with the working mechanism of the ESI Corporation and effective delivery system of services.

All the respondents are aware about the grievance redressal system of ESIC and claim settlement systems provided under the ESI act.

Table – 1

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<td>Below -5</td>
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The above table 1 depicts the results regarding ‘age of the respondents’ of the selected units under study. The result shows 10% of respondents fall in between the age of 31 – 40 years and 90% of respondents age is above 41 years. And the work experience of the respondents shows that 90% of respondent’s experience is above 10 years and only 10% of their experience fall below 5 years. Regarding Educational Qualification of the respondents, 90% of respondent’s qualification is Post Graduates and only 10% of respondents are Technical / Diploma qualification. The marital status of the respondents shows that 90% of respondents are married whereas only 10% of them is Unmarried. Regarding religion of the respondents 100% of employers of selected units under study belongs to Hindu religion. It is further depicted the results regarding designation of the respondents that 100% of respondent’s designation is ‘General Manager’ in the selected units under study and 50% of respondents belongs to geographical areas of Krishna District, 40% from Guntur and 10% from West Godavari Districts respectively. From the table 1 it is depicted that 90% of respondent’s category of the organization is “Establishment/Company” and only 10% of respondent’s category of organization is “Factory”.

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Rsp.-Respondents % - percentage

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<td>150 &amp; above</td>
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<td>4 Respondents awareness on ESI benefits</td>
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<td>5 Sources of Awareness</td>
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<tr>
<td>10 Attitude of SSO/RRP with respondents</td>
<td>Cooperative</td>
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<td>100</td>
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Table – 2

Employer Perception on ESI Benefits
The above table-2 shows that ‘type of organizations selected under study’, 50% of organizations are ‘Private limited companies’, 30% of organizations are ‘Government companies’ only 10% of organizations are ‘Partnership firm’. And it is inferred that 80% of respondents said they are functioning from ‘more than 20 years’, only 10% of respondents said from 5 – 10 years & 10 – 20 years and they are functioning ESI benefits. Further it is depicted that “total number of insured persons (I.Ps) in their organizations”, 70% of organizations are having ‘more than 150 insured persons’ in their organization, 20% of organizations have in between 100 – 150 persons insured in their organization and only 10% of organizations have insured persons in between 50 – 100 persons. It is depicted that “Awareness of Benefits provided by the ESI Corporations”, 100% of organizations/employers (respondents) ‘fully aware’ of the benefits provided by ESI corporations and the sources of awareness regarding ESI Benefits”, it is stated 100% of organizations employers (respondents) are aware of ESI benefits through “officials of the ESIC” only.

The above table-2 depicted the results regarding “satisfied level on working of SSO”, 80% of respondents are satisfied for information they received regarding ESI scheme and 20% of respondents opined as extremely satisfied with information on ESI scheme. And the results regarding “Aware of the formalities for claiming various benefits”, 100% of respondents exposed that they are fully aware of formalities of claim on various benefits. Regarding “Opinion about attitude of the inspectorate officials in compliance of the scheme”, 90% of respondents share that they are cooperative with inspectorate official in compliance of scheme and 10% of them are as very cooperative. Moreover, the table depicted the results regarding “Satisfaction level on working of G.R cell of ESI corporation”, 90% of respondents rated as ‘satisfaction’ towards working of inspectorate of the ESI Corporation and 10% of them shared as Extremely Satisfied. And the results regarding “Attitude of social security officers/revenue recovery personnel towards you”, 100% of respondents rated as ‘Cooperative’ towards attitudes of social security officers/revenue for recovery.

The table-2 depicted the results regarding “Satisfaction level on working with social security officers”, 90% of respondents rated as ‘Satisfied’ and 10% of respondents are ‘Extremely Satisfied’ for working with social security officers. And it is depicted that “aware of employee insurance courts/tribunals for settling the disputes”, 100% of respondents are ‘Fully Aware’. It is further showed the results regarding “Any delay in settling the disputes is present or not”, 80% of respondents said as ‘no opinion’ regarding delay in settling the disputed and only 20% of respondents said that they filed case. The results regarding “delay in settling the disputes is present or not”, 80% of respondents said as ‘no opinion’ regarding delay in settling the disputed and only 20% of respondents said as ‘No delay’. And the table depicted the results regarding “Satisfaction level of working of G.R cell of ESI corporation”.

The table-2 depicted the results regarding “Compliant logging to solve Grievance”, the results show 50% of respondents said equally as they logged as well as not logged of Grievance Redressal Cell. And it is stated the results regarding “Any delay in the disposal of the grievances”. The results show 60% of respondents
said as no delay and 40% of them said as No opinion. It is stated that the results regarding “satisfaction level with the working of the grievance redress cell of the corporation”. The results show 70% of respondents said as ‘Satisfaction’ opinion and 30% of them said as they are extremely satisfied.

XII. SUGGESTIONS

1. Few more amendments are inevitable in ESIC Act to brought about in order to extend the ESI services to large number of working population even for unorganized sector who are at present not in a position to enjoy its benefits. At present as per the ESI Act, (1948) it applies to the following categories of factories and establishments-factories using power and employing 10 or more persons; and non-power using factories and establishments employing 20 or more persons. “It suggests that there must be no differences as there are no factories without using power. Often this is misused by employers by not providing ESI benefit, to employees. Employers also often take the cover of standing order of the Factory Act. Therefore stringent monitoring mechanism is needed to be taken from the ESI authorities to make the ESI coverage is compulsory for all factory or establishment employing 10 or more employees”

2. The success of the ESI scheme is depends on the State Governments that due to physical and financial constraints many states do not create necessary infrastructure required for delivery of medical care in the new areas. Due to this a large number industrial areas have remained outside the ambit of the scheme and many states are depriving the workers of social security.

3. To overcome the physical and financial constraints it is suggested to bear the entire cost of running the scheme by the Central Government.

4. Few establishments are now getting exemption from concerned State Governments for not to cover the ESI scheme for their establishments, it is suggested that no exemptions will be allowed to any establishments by state governments from coverage under ESI Act.

5. A multiple card system could be introduced so that the beneficiaries can use a convenient facility whenever required. This would particularly help those employees whose family members or dependents do not live with them. It would means that employees and their families could hold a number of cards so that even if they lived apart each could use the most convenient health facility.

6. The government could improve access to healthcare by constructing more Scheme facilities or adding more private facilities to the panel of recognised hospitals where beneficiaries can get treatment. The basic infrastructure of the existing facilities could be improve to provide a higher quality of service; this includes making basic diagnostic equipment available, providing nursing personnel, improving laboratory services and making conditions more sanitary.

7. The coverage, quality and overall effectiveness of the Scheme suffer from poor public perception. Studies also show that the system suffers from long recruitment procedures and a low level of satisfaction among users. This research assessed the effectiveness of the Scheme in the above said establishments based on the discussions had with the employers of the concerned, the degree of financial protection provided and the levels of utilization of Scheme facilities is not sufficient in the changing scenario.

8. It is found from the study that non-eligibility and too many formalities prevent a good number of insured persons from availing of the various cash benefits. Therefore the ESI Corporation has to relax the eligibility conditions and simplify the formalities for claiming the cash benefits under the ESI scheme as well as the statutory compliance formalities in the part of the employer.

9. The study revealed that a considerable number of insured persons are facing grievances in claiming the benefits under ESI scheme. Non response on the part of authorities and delay in the disposal of complaints are the reasons for their dissatisfaction. The ESI Corporation may setup effective grievances redress cells at the lower level authorizing the authorities at lower level for speedy disposal of complaints / claims.

10. The delivery of services in social security through the Employees’ State Insurance Scheme (ESIS) should be improved with the help of Information Technology (IT) in order to adopt the transparency and good governance in services of the ESIC.

11. Priority attention may be given to those social security covers for the unorganized sector, which can provide medical care, accident benefits, old age pension and maternity benefit. ESI scheme benefits may be extended to the workers in the unorganised sector through innovative approaches. Innovative schemes may be launched on experimental basis targeting groups like rickshaw puller, auto rickshaw driver, head loader, construction workers etc.

12. The vulnerable labour groups that need particular attention are child labourers, bonded labourers, migrant labour, building and construction Workers and landless agricultural workers for which the ESI scheme benefits may be extended to these labour force also.

13. At present, there are a number of models to provide some form of social security cover to the unorganised sector workers. A few states have set up welfare boards for unorganised workers. Concerned State departments and ESIC are developing models to demonstrate the provision of social security cover to the informal sector workers at specific locations. A role for associations of workers, and of the self-employed in the provision of social security has to be explored. Given the large resource requirements, and the experience in raising some resources through cess and other levies, the approach will be to provide social security through budget neutral measures. Provision of a comprehensive social security cover like ESI to all workers is a gigantic
task and requires adequate preparation. A perspective plan to provide social security cover to workers in agriculture, small establishments and in the informal sector should be prepared by the central and state governments and need to introduce the best model of social security scheme by integrating the state and central government schemes for effective implementation at large community.

14. In view of the different sections of workers exists it is necessary to formulate separate schemes framed for different sections of workers having different risk perception as some of the employments are not accident prone or are not susceptible to occupational diseases. Therefore, for such sections, the contribution rate could be reduced. It was also suggested that the Associations or Trade Unions representing different sections of employees could be utilized for providing benefit to that particular section e.g. ESIC has been able to cover cine workers in Mumbai with the help of active cooperation of Cine Workers Trade Unions.

15. There is a need for universalization of social security. It is felt that the minimum social security floor should be available to every worker in the organized and unorganized sector. For this purpose, adopting of a broad based definition for ‘social security’ would be useful.

XIII. CONCLUSION

Social Security measures have introduced an element of stability and production in the midst of distress and strain of modern life. The ESI scheme is financed by the ESI fund consisting of contributions from employers, employees, grants, donations and gifts of Central and State governments and Local authorities. The Royal Commission on labour also insisted on health insurance, the same was elaborately discussed by Bombay Textile Labour Enquiry Committee. Prof. B.P.Adarkar recommended compulsory and contributory health insurance schemes for workers. Prof. Adarkar was acknowledged as “Chhota Beveridge” by Sardar Vallabhai Patel. Sir, William Beveridge, as all know, was one of the high priests of social insurance in the world. In fact benefits provided under the act are sickness, maternity, disablement, dependent, medical and funeral benefits. An affirmative perception and moral commitment of the employer is highly required for effective implementation of the ESI benefits in order to bring the maximum labour force under the net of ESI. At the same time the enforcement mechanism of the ESIC, by coordination with the concerned state labour departments the compliance of the act should be made effectively implemented. Moreover the support of the Central and state governments are highly required in all aspects is highly required for effective implementation of the ESIS benefits. The present study reviewed the existing available literature on ESI benefits since 1981 to 2014. The objectives, methodology and sample design also presented in a systematic way.

REFERENCES

[10] Website of ESIC: www.esic.nic.in