



Headquarters Office
Employees' State Insurance Corporation
(ISO 9001-2008 certified)
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PRESS RELEASE

ESIC discusses amendments in the ESI Act-1948, for providing option to employees to choose either ESI or Health Insurance Product services recognized by IRDA; in 165th Meeting of the E.S.I. Corporation held on 07.04.2015

The Employees' State Insurance Corporation today discussed for providing option to employees to choose either ESI Benefits or Health Insurance product recognized by IRDA, in its 165th Meeting; in reference to the Budget Speech- 2015-16 (Para 62) of Hon'ble Finance Minister. Shri Bandaru Dattatreya, Hon'ble Minister of State for Labour & Employment (Independent Charge), Govt. of India chaired this meeting. The Hon'ble Minister stated that Ministry of Labour & Employment will further examine the proposed amendment of ESI Act, 1948 after taking into account the views expressed during the meeting by the members as well as other stakeholders of ESIC. It was felt that if workers have an option; it is likely to bring in competition, leading to improvement in the services by ESIC. The Hon'ble Minister further stressed that the interest of worker is important and their well being is the top most priority of the Govt. Consensus for the requisite amendments will be arrived amongst all the stakeholders.

The Labour Minister emphasized that the Govt. is committed to provide social security to the workers in both organized as well as unorganized sector. As a result, issue of introduction of a scheme for unorganized workers within the EPF & MP Act, 1952 is under consideration and was discussed during an earlier tripartite consultation.

On the subject of medical education, the Meeting of the ESI Corporation reiterated that medical education is not the core activity of the ESIC and that ESIC should exit medical education. However, within this broad approach, each medical college project may require specific decision. The Corporation has already decided to continue to run three medical colleges in Joka, Kolkata, K. K. Nagar, Chennai and Rajajinagar, Bangaluru. The State Governments have been requested to convey their decision regarding taking over of other medical college projects. The revenue of the Corporation comes from the workers. Investments made from out of contribution of workers should not go waste. The meeting of the Corporation once again authorized its Chairman to take decision in the matter and finalize Terms and Conditions on a case by case basis for transfer of the Medical college Projects to the State Governments. The discussion on Medical Education in ESIC was aimed towards its finality. It was also decided that no further Medical Education project will be undertaken by ESIC.

The Ministry of Labour & Employment and ESIC are committed to the social security of the workers in the organized sector and will protect the interest of the working class, especially that of the lower wage bracket. The State Governments have also a very important role in successful implementation of the ESI Scheme.
