

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**UNION FINANCE MINISTER’S SPEECH AT CONCLUDING FUNCTION OF ESIC
DIAMOND JUBILEE**

New Delhi: February 24, 2012

Please find below the text of the Speech of the Union Finance Minister Shri Pranab Mukherjee at the Concluding Function of Diamond Jubilee Celebrations of Employees’ State Insurance Corporation (ESIC) in Vigyan Bhawan today:

I am very happy to be here with you today on the concluding function of the Diamond Jubilee celebrations of Employees’ State Insurance Corporation. I congratulate the organization for this proud milestone.

The Employees’ State Insurance Act, 1948 was the first major legislation in independent India for providing comprehensive Social Security to the workers in the organized sector. The first Prime Minister of India, Pandit Jawahar Lal Nehru inaugurated the ESI Scheme by becoming its first insured Person on February, 24th 1952. Since then, you have come a long way and have covered more than 6 crore beneficiaries with matchless cash benefits and full medical care with no limit on individual expenditure.

I am told that the Corporation had only 21 Dispensaries with no ESI Hospital in 1952. Today you have expanded to 1496 Dispensaries/AYUSH Units and 146 ESI Hospitals. The ESI Scheme is being implemented in 790 centres in the country and Rs.2124 crore was spent on medical care and about Rs 500 crore disbursed as cash benefits during 2010-11. This speaks of your progress as an organization in the service of the nation.

The book titled “ESIC – The Sparkling Diamond” which has been released today, is an account of the work, the commitments and the endeavors off ESIC to reach

out to its stakeholders during the Diamond Jubilee Year. I must congratulate Shri Mallikarjun Kharge ji for providing the vision and leadership. I would also like to congratulate the Officers and the Staff of ESIC in implementing these commitments and working tirelessly to make their celebrations of Diamond Jubilee Year, meaningful and fruitful for the insured persons and their family members.

India is passing through an unprecedented phase of demographic changes. The ongoing demographic changes are likely to contribute to a substantially increased labour force in the country. According to census projection report the proportion of population in the working age group between 15-59 years is likely to increase from approximately 58 per cent in 2001 to more than 64 per cent by 2021. In absolute numbers, there will be approximately 63.5 million new entrants to the working age group of 15-59 years between 2011 and 2016. Further, the bulk of this increase in population is likely to take place in relatively younger age group of 20-35 years. This trend would make India one of the youngest nations in the world. In 2020, the average Indian will be only 29 years old, compared to 37 in China and the US, 45 in West Europe. This 'demographic dividend' provides India great opportunities, but at the same time it also poses a great challenge. We will realize this demographic dividend if our population is healthy, educated and appropriately skilled.

The government is keen to upgrade the delivery services in the health, education, skill development and employment sectors so that the disadvantaged sections of society are well equipped to benefit from the growth process. Today our expenditure on social services as per cent of GDP has gone up from 5.6 per cent in 2006-07 to 7.3 per cent in 2010-11. Similarly, expenditure on education and health has gone up 2.7 per cent and 1.25 per cent respectively in 2006-07 to 3.3 per cent and 1.4 per cent, respectively in 2010-11.

The Government has been implementing several programmes to address the development gaps in social attainments. There is the Mahatma Gandhi NREGA and Swarnajayanti Gram Swarozgar Yojana both intended to provide wage and self-employment respectively in the rural areas. Rajiv Gandhi National Drinking Water Mission to ensure drinking water security in rural areas. Backward Regions Grant Fund for development

of infrastructure in identified backward areas. The National Rural Health Mission to provide health care services, and the Rashtriya Swasthya Bima Yojana to provide health insurance. Similarly Indira Awas Yojana to provide dwelling units to the shelterless in rural areas and Jawahar Lal Nehru National Urban Renewal Mission to improve urban infrastructure. The Pradhan Mantri Gram Sadak Yojana to provide all weather rural road connectivity. Sarva Shiksha Abhiyan(SSA) to provide elementary education to all children in the 6-14 age group supported by Mid-Day Meal programme and the recently launched programme for vocational education at the school level. Besides National Skill Development Corporation set up as part of the three tier Skill Development Mission has been mandated to achieve the target of skilled workforce of 150 million persons by 2022. These programmes are making a positive impact on the quality of life of the poor and the marginalized of our society.

The Government has also expanded the coverage of social security schemes to provide a minimum level of social protection to workers in the unorganized sector. The Aam Admi Bima Yojana has provided insurance coverage to nearly 2 crore persons in the country till January 2012. Under the Janashree Bima Yojana more than 2 crore lives have been covered during 2010-11. Similarly, more than 2.5 crore smart cards have been issued under the Rashtriya Swasthya Bima Yojana. We have set up a National Social Security Fund with initial allocation of Rs.1000 crore to support schemes for weavers, toddy tappers, rickshaw pullers, bidi workers, etc.

With development and benefits accruing from all these initiatives, the expectations of the people on the quality and availability of public services is improving. ESIC is also addressing this challenge. I am told that in order to serve an ever increasing numbers of ESI beneficiaries, the Corporation started a massive IT Roll Out programme named 'Project Panchdeep'. With completion of digitization of the operations of ESIC, the stakeholders find the procedures have become hassle free. It has created transparency for the beneficiaries and has also enabled the doctors & the medical administrators for analyzing the trends related to sickness, diseases pattern, occupational health of workforce etc. I understand that the ESI Corporation has entered in the field of medical education. This will help the Corporation in upgrading the health care delivery system of ESI Scheme and creating

medical human resources for its own hospitals & dispensaries. Finally, I would also like to mention impressive performance of the ESIC initiative on providing unemployment allowance through a scheme named 'Rajiv Gandhi Shramik Kalyan Yojna'.

Let me conclude by congratulating you all on the milestone that you have attained. I am sure that the ESIC will climb to newer heights of success to and greater satisfaction to the beneficiaries. I wish you the very best in the times ahead.

DSM