

Health wars

While the state reduces its share in providing public health, its role has increased rapidly in protecting the business of private hospitals

By Riaz Ahmed

As the state gives way to private sector, is the role of the state diminishing? Take health care, it has never been a state-issue in Pakistan.

Government expenditure has been dwindling for the past 10 years, now the state spends a mere Rs 4 per person annually! Like other public services — education, transport, utilities and security — a greater proportion of health care has been acquired by the private sector. As a result private hospitals and clinics have mushroomed. Private hospital management, like other businesses, has to maximise profits in an increasingly competitive and technological arena. Similar to the manufacturing industry, health-business has also evolved with state-support, by bending rules and exploiting the unemployed army of workers ready to work at low wages. Private hospitals are an industry within themselves. With them a large number of workers have also been absorbed and a new breed of hospital workforce has evolved. Most of these are in their youth and work for longer hours for increasingly diminishing wages. And a section of workers in this industry has begun to assert themselves.

The UN Human Development Report 2001 shows that nearly 15 per cent of the total population in Pakistan has absolutely no access to healthcare facilities. The already meager state run

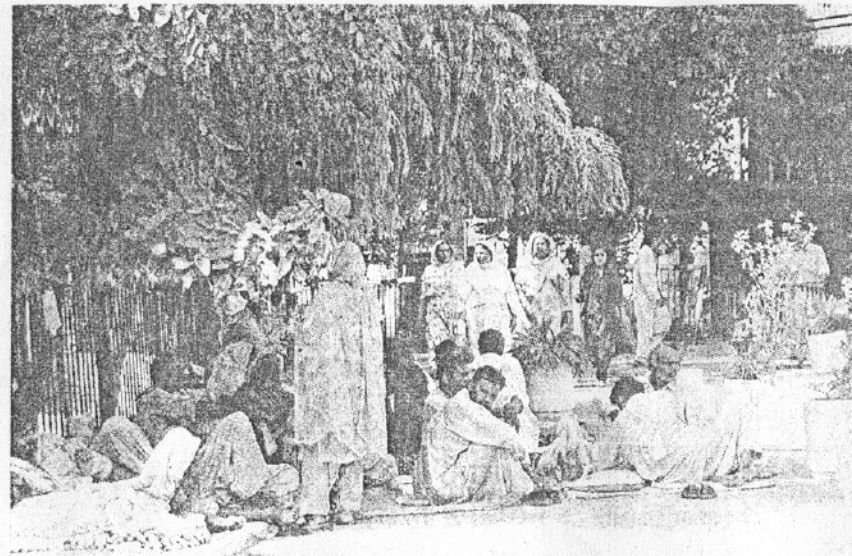
healthcare is under severe strains, the population increased much faster than the health-care personnel and hospitals. From 1980 to 2002 the population increased from 84.8 million to 142 million. At present, there are only 877 hospitals in the public sector. The combined numbers in private and public hospitals is 87,105 registered doctors, 3,867 dentists and 35,975 nurses. This means a doctor for a population of 1,578, a dentist for 35,557, and a nurse for 3,822 patients.

Although the numbers have increased in the last 10 years, the report notes that 'this improvement was largely in the private sector and its benefits remained restricted to the privileged sections and urban population'. As the private sector investment in the public sector remained poor, the ratio of population per bed increased from 1,406 in 1994 to only 1,495 in 1999.

In Sindh alone the population increased from 19 million to 32 million between 1991-1999 but only 6 new state-run hospitals were established to take the total to 86. In the last 10 years doctors increased from a meager 7213 to 7646, nurses from 837 to 1570. In Karachi the number of nurses in state run hospitals increased from 472 to 642 in these 10 years.

Clearly the state is least concerned with health care of the growing population.

Nevertheless the total number of trained paramedical staff increased manifold. In 20 years between 1980-2000, the number of doctors increased



What future awaits patients when the health infrastructure is left at the mercy of private sector?

from 13910 to 91823 and nurses from 5336 to 37623. So where were these tens of thousands of paramedics going? Not to state run hospitals.

A huge majority of fresh doctors and paramedics are being absorbed in the private sector. In Sindh alone there are 23,000 paramedics in the private sector with 10,000 working in Karachi. Every year an estimated 20,000 dispensers and others graduate from various provincial institutes with scarce jobs to take to.

While the state sheds its responsibility, the private sector assumes a part of it. For every three government hospitals there are over 500 private hospitals per district in Pakistan. Big private sector hospitals employ tens of thousands of workers at minimal salaries. Nurses work at Rs 2500 and sweepers work at Rs 1500 per month. On the other hand private hospitals mint huge profits. Most of the hospitals have been formed as 'trusts' but over the years, with greater privatisation in the last 12 years, entrepreneurs dominate the board of trustees. Now most of the big trust

hospitals are run as private commercial enterprises by entrepreneurs who also run their own medical or industrial businesses. In a way trust-hospitals have gone through an unofficial privatisation.

There are five major hospitals in Karachi. The Agha Khan University Hospital, Liaquat National Hospital, Ziauddin Medical University Hospital and Baqai University Hospital. These treat as many patients as the state run hospitals cater for. A large majority of the patients in these come from 'Panel Organisations'. These panels comprise both government and private companies. However, other than a very few multinationals, over 80 per cent of the companies on the panel of private hospitals are government organisations employing thousands of workers. Steel Mills, Sui Gas Companies, Karachi Port, PIA, KESC, EOBI, ICP, Habib & United Bank, KDA, National Refinery, PNSC, Port Qasim, Suparco, State Bank, Universities etc provide health cover to their employees. For example the University of

Karachi pays an annual amount of Rs 45 million to private hospitals. The Steel Mills annually pay billions of rupees to large private hospitals.

At one private hospital, the daily turnover for private patients is over Rs 2.5 million a day and almost Rs 700 million annually. That means at a 10 per cent margin, the annual profit will be around Rs 50-100 million. In contrast, the salaries and bills expense is less than Rs 10 million. Workers at these large hospitals are angry that they are paid low wages while the management and owners are making huge profits. Workers see how the private hospital managements exploit patients and workers to maximise their own profits.

The growth of the service sector and hospital workers within them means that private hospitals are expanding at a massive rate. Lets take an example. At a trust-hospital in Karachi, the Liaquat National Hospital, there are 800 nurses. This is over 30 per cent of the nurses in the government hospitals of the province! This hospital is expanding at such a fast rate that every year 200

more nurses are added to the staff. Add the other paramedical and support staff and the total workforce of LNH is 3000.

The number of workers at LNH is comparable to that in big textile, sugar and steel mills. Along with the numbers, militancy among more confident workers has increased as well, particularly among nurses. And like their skilled counterparts in manufacturing, the LNH staff nurses are the leading force for their rights. The office bearers of the unrecognised LN Employees Welfare Association are all male nurses.

Labour laws permit workers at the LNH, like other big organisations, to a right to form their union. For the past several years they are trying to form an association but are being denied registration from the Labour Department of the Government of Sindh. The Labour Department even refuses to acknowledge its own receipts of application for registration made in June last year.

Denial of the right of association is common in a large majority of private industries. In collusion with the Labor Department, Federal Ministries and by-the use of police and security forces, workers are denied the right to organise. Where the number of workers are small they are easily contained. But when the numbers run into the thousands, management is difficult. Earlier this month, LNH workers struck against the acts of victimisation of militant workers. The strike paralysed the hospital and only emergency and intensive care units were operative. The workers were demanding the release of arrested workers, end to harassment, withdrawal of suspension orders to 25 active members, the implementation of last year's agreement. They alleged that a security officer is spreading harassment by making videos of male and female staff on night duty. The workers allege that the management is forcing the workers to dissociate from

those trying to form an association. The management says that the association is creating trouble, inciting violence and is formed by outsiders.

As the strike progressed, to prevent trouble, the management called the police, private security and even Rangers in addition to its own security guards. A meeting of around 400 workers was encircled by over 200 security personnel. Later the city Naib Nazim intervened and the strike was called off. But soon afterwards 15 workers were arrested. They were later found at the local police station. The management filed a complaint with the police alleging manhandling of the senior management and security officers but the workers were denied filing of any report.

This was not the first time LNH workers had struck. In July last year, they stopped work for three consecutive days against beating of sweepers and termination of security guards. At that time the strike was so effective that patients left the hospital on the second day. That caused a massive loss of revenue to the management of the trust-hospital. They were forced to negotiate. Deputy Commissioner East Karachi formulated a compromise which led to withdrawal of termination letters, ban on unlawful assembly, permanent employment to temporary workers, training for staff, and framing of promotion rules. As a result many temporary workers were made permanent.

However, the core issue, that is the recognition of the right to organise, was not made part of the compromise. This meant that complaints of the management and that of workers kept rising. A few leaders of the Employees Welfare Association were able to control the anger of the low-paid staff, but not for long. Soon anger again started to boil off. To make itself more effective, the management appointed a retired military captain as security officer who started a campaign to discipline

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