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PUBLIC OLD-AGE PENSIONS AND INSURANCE IN THE UNITED STATES AND IN FOREIGN COUNTRIES

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U. S. BUREAU OF LABOR STATISTICS

NO. 561 WASHINGTON FEBRUARY, 1932

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Introduction

This bulletin has been prepared in response to many requests, both official and unofficial, for a brief review of the various old-age pension and insurance plans in the United States and foreign countries.

Part 1 gives a brief history of public old-age pension legislation in the United States, a comparative analysis of such laws, and a reproduction of the text of the 17 laws on the statute books, as well as the results of studies of the Bureau of Labor Statistics on the operation of these laws.

Part 2 deals with the public old-age pension and insurance systems in 39 foreign countries. The descriptive reports for these countries were prepared by the consular representatives of the United States Department of State in the several countries concerned, in accordance with an outline and a memorandum of instructions prepared by the Bureau of Labor Statistics.

The subject of old-age pensions has of late years been receiving more and more attention. Although, in the United States, the first active step toward the passage of a State law providing public pensions for aged citizens was taken as early as 1907, with the appointment of an investigative commission in Massachusetts, the actual passage of such a law was not accomplished until 1915, when Alaska enacted legislation on the subject. Then followed an interval of eight years. In 1923, Nevada, Montana, and Pennsylvania passed pension laws, but that of Pennsylvania was declared unconstitutional and that of Nevada was repealed, leaving only that of Montana. In 1925 the Nevada Legislature acted again on the subject, and Wisconsin also passed a pension law. One law (that of Kentucky) was passed in 1926, and two laws (those of Colorado and Maryland) were enacted in 1927. The year 1928 elapsed without action except in Massachusetts where what might be called a "public bequest" law was passed, providing for the payment of pensions out of any gifts which public-spirited citizens might make for the purpose; this law was never of any practical effect. Beginning with 1929, legislative action in this field has been increasingly wide. In that year four pension acts (those of California, Minnesota, Utah, and Wyoming) and in 1930 two acts (those of Massachusetts and New York) were passed. In 1931 five additional States (Delaware, Idaho, New Hampshire, New Jersey, and West Virginia) acted in this field, while in Indiana a measure passed by the legislature was vetoed by the governor. Thus there are now on the books old-age pension or relief acts in Alaska and in 17 States, though not all of these States have actually begun the payment of pensions.

In the United States in all but one of the acts passed thus far the agency immediately responsible for the determination and payment of pensions is the county, city, or town authorities, and in 11 States (Colorado, Idaho, Kentucky, Maryland, Minnesota, Montana, Nevada, New Hampshire, Utah, West Virginia, and Wyoming) these officials are also the final authorities. In those States in which some measure of State aid is given (California, Massachusetts, New Jersey, New York, and Wisconsin) the State has some authority as to the payment of pensions. In Delaware, where the entire cost is borne by the State, the whole matter is in the hands of a State commission.

No Federal action has as yet been taken in the United States, though several bills have been introduced into recent sessions of Congress.

All of the systems established under State laws in the United States are straight pension plans, the entire cost being borne by the public through taxation. Study of the experience abroad shows that while a few countries have similar pension schemes, and some have both pension and insurance plans, in the great majority the system is conducted on an insurance basis, with (in most cases) the workers, the employers, and the State all contributing in fixed proportions.

Another point of difference is that under the majority of the earlier old-age pension laws in the United States the adoption of the pension system is optional with the county or local authorities, while most of the foreign laws make the pension or insurance plan compulsory for all citizens or certain classes. The trend in the United States in the past few years, however, has also been toward the mandatory form of law.

PART 1

PUBLIC OLD-AGE PENSIONS IN THE UNITED STATES

Part 1.—PUBLIC OLD-AGE PENSIONS IN THE UNITED STATES

Introduction

Although State legislation to provide assistance for indigent aged citizens is of comparatively recent development in the United States, the movement has gathered impetus during the past few years and there were at the end of 1931 such laws in 17 States.[1]

In not all of these States has the actual payment of pensions begun. At the end of 1930, an inquiry by the United States Bureau of Labor Statistics showed, only nine States had actually put the system into force. These were the States of California, Colorado, Kentucky, Maryland, Montana, Nevada, Utah, Wisconsin, and Wyoming. In these States 10,307 old people were being given periodic cash payments, at an average rate of $14.32 per month. Altogether, the citizens of these States spent $1,714,388 in old-age pensions during 1930.

Five counties in Minnesota adopted the pension plan, but none of these paid any pensions in 1930.

New York began the payment of pensions January 1, 1931, and data supplied to the Bureau of Labor Statistics by the New York State Department of Social Welfare show that 42,021 persons were receiving old-age relief in that State in August, 1931, and that during the five months ending August 31, 1931, the sum of $5,138,582 was disbursed for this purpose. In Massachusetts, according to reports, at the end of the first two months' operation (July and August, 1931) some 2,000 pensions had been granted. In Delaware, at the end of August, 1931, pensions had been granted to 1,000 persons. No data are available as to the operation of the act in Idaho.

The above figures indicate, however, that the old-age pension acts have been the instrument of aid to more than 55,000 aged persons in these 12 States.

The early old-age pension laws in the United States were nearly all of the type which left the adoption of the system to the option of the counties. A definite trend toward the mandatory form is discernible of late years, however. Of the 13 laws on the books at the end of 1930, 5 were mandatory. Of the five laws passed in 1931, four were mandatory, while the 1931 legislatures of Colorado and Wisconsin changed their laws from the optional to the mandatory form.

Another definite trend is toward State aid, in increasing proportions. At the end of 1928, of the six States with pension legisla-

[1] California, Colorado, Delaware, Idaho, Kentucky, Maryland, Massachusetts, Minnesota, Montana, Nevada, New Hampshire, New Jersey, New York, Utah, West Virginia, Wisconsin, and Wyoming.

tion, only Wisconsin provided for State aid (to the extent of one-third of the cost). At the end of 1930, of the 12 States with such laws, 4 provided for State aid; one-half of the total cost was at that time the maximum proportion met from State funds. In 1931, of the 5 States passing new pension laws, 2 provided for State participation in cost, 1 to the extent of three-fourths and the other the entire cost. Of the 17 States now having such laws, 6 have the State-aid plan, 2 bearing one-third, 2 one-half, 1 three-fourths, and 1 all of the cost.

History of Old-Age Pension Legislation in the United States

The first active step in connection with old-age pensions seems to have been the appointment of a commission by Massachusetts in 1907 to investigate and report on the subject. No action resulted from that report.

In 1914 Arizona made an attempt to provide a system of old-age pensions. An initiative act was passed (Acts of 1915, initiative measures, p. 10) abolishing almshouses and establishing old-age and mothers' pensions. The act was so loosely worded that before it could come into effect it was pronounced unconstitutional on the ground of its vagueness, the constitutionality of its pension provisions, if properly expressed, being left undiscussed. Alaska followed with a law, passed in 1915, providing a pension of $12.50 a month to those aged 65 and upward who met certain requirements as to residence, need, and character. This law has been amended several times but is still in operation.

The effects of the war renewed interest in the idea of provision for the aged, and within the last decade a number of State commissions have been appointed, and in some cases action has followed their reports. In 1923 Nevada, Montana, and Pennsylvania enacted old-age pension laws. In Ohio in the same year the question of establishing an old-age pension system was submitted to a referendum vote and was decided adversely by a vote of almost 2 to 1. In 1924 the Pennsylvania law was declared unconstitutional, the decision being based largely on a clause in the State constitution prohibiting the legislature from making appropriations for charitable, benevolent, and educational purposes.

The year 1925 saw much activity in regard to old-age pensions, with varying results in different States. In both Nevada and Montana bills were introduced repealing the old-age pension laws, and in Nevada the repeal was accomplished. A number of State commissions brought in favorable reports, and by the middle of the year bills were pending in Michigan, Illinois, Minnesota, Ohio, Maine, New Jersey, and Indiana. In Texas and Kansas bills were reported favorably but failed to pass either house of the legislature. In New Jersey and Indiana they passed the lower house but were not acted upon by the upper chamber. In Colorado, Minnesota, and Utah commissions to study the subject were appointed. In Pennsylvania the legislature created a new commission to study the question further and passed a resolution providing for a constitutional amendment to permit appropriations for old-age pensions. In Nevada a new law was enacted, differing in some respects from the former one. Wisconsin passed an old-age pension law, which was signed by the governor, and California passed one, which was vetoed.

In January, 1926, the legislature of Washington passed an old-age pension act, but this was vetoed by the governor. Early in 1926 the Virginia State commission brought in a favorable report recommending the adoption of an old-age pension system, and a bill to that effect was introduced into the Virginia Legislature. In Massachusetts a commission on the subject handed in a divided report. The majority recommended a bill establishing a pension not to exceed $1 a day to needy citizens aged 70 or over, but the legislature adjourned without taking any action. In the spring of 1926 the legislature of Kentucky passed an old-age pension law which became effective June 24 of that year, Maryland and Colorado each passed one in 1927, and a year later a law was passed in Massachusetts. Mention has been made above of the report of the Massachusetts commission and its recommendation. In the law which was finally passed, the report of the majority of the commission was ignored and a suggestion made in one section of the minority report was adopted instead. This law, which could hardly be termed an old-age pension law but might more accurately be called a "public bequest" law, was passed in 1928.

A joint legislative committee was appointed in New York in 1926 to make a survey and report upon the condition of the aged poor in the State, with a view to legislative action.

The close of 1928 found old-age pension laws in effect in six States (Colorado, Kentucky, Maryland, Montana, Nevada, and Wisconsin) and Alaska, with bills pending in the legislatures of a number of other States.

In 1929 the movement showed fresh impetus, and the States of California, Minnesota, Utah, and Wyoming legislated in this field; 1930 was marked by the passage of a law in Massachusetts (superseding its "public bequest" law) and of one in New York.

Even greater activity was shown in 1931. The Old Age Security Herald is authority for the statement that 100 pension bills were introduced into the legislatures of 38 States. Of the States which met in legislative session in 1931, five (Delaware, Idaho, New Hampshire, New Jersey, and West Virginia) enacted new old-age pension laws, while in five others amendatory action was taken on laws previously passed. Thus the Colorado and Wisconsin acts were made mandatory upon the counties. Wyoming and Minnesota passed amendments designed to facilitate the raising of funds to finance the pension plans, and Maryland reduced from 15 to 10 years the period of residence required and eliminated the property qualification. The Pennsylvania constitution was amended to allow payment of pensions; this measure must be repassed in 1933 and then submitted to referendum. Thus the end of 1931 shows 17 States and Alaska with such legislation.

Comparison of Laws

The Alaska and Delaware laws are on a different basis from the laws of the other jurisdictions which have legislated on the subject of old-age pensions, since under these two laws the State or Territory not only has control, but also bears the expense of operation.

In the other jurisdictions the pension is a county matter, and in all of the States applications for pensions are filed with and passed upon by the county (through its board of county commissioners, its county judge, its welfare board, etc.). And in all but six States the whole cost of pensions paid under the law is borne by the county adopting the system. In California and New York the county or local welfare district is reimbursed by the State to the extent of one-half of the cost of the plan, and in Massachusetts and Wisconsin one-third of the cost. In New Jersey the State will bear three-fourths of the cost and in Delaware the whole cost of the pensions.

Ten States (California, Idaho, Maryland, Minnesota, Montana, Nevada, New Hampshire, New Jersey, Utah, and Wyoming) provide administration by county boards, while four others (Colorado, Kentucky, West Virginia, and Wisconsin) provide that the county or circuit judge shall decide who will receive pensions. The Alaska act provides that the board of trustees of the Alaska Pioneers' Home shall administer the system. In Massachusetts and New York, administration is through city or county boards of social or public welfare, while the Delaware act is administered by a State commission.

Benefits

Requirements for Pensions

Each law sets forth the conditions under which pensions will be allowed. The Alaska law provides that the board of trustees of the Alaska Pioneers' Home shall investigate applications "and if it finds that his or her case is worthy and that he or she is in actual need of such allowance, the said board shall enroll him or her as a beneficiary under this act." The California law provides that "subject to the provisions of this act, every person residing in the State of California, if in need, shall be entitled to aid in old age from the State" and that it shall be the duty of the board of supervisors to receive and act upon applications for aid. The Massachusetts law states that "Adequate assistance * * * shall be granted," while the New York statute provides that "old-age relief shall be given by the city and county public welfare districts and by such other cities as may elect to administer old-age relief." The Idaho, Montana, and Wyoming laws provide that "there shall be established in each county of the State" an old-age pension commission which "shall perform all the duties imposed upon it by this act" and that "Every person (man or woman, married or single) shall, in the discretion of the old-age pension commission, while residing in the State * * * be entitled to a pension in old age, subject to the restrictions and qualifications hereinafter noted." Practically the same provision as the above with regard to the right of residents to receive the pension is found in the laws of Nevada and New Jersey. The Utah law provides that the board of county commissioners of each county in the State "shall have the power to provide funds in the county treasury for the purpose of carrying out the provisions of this act." The Colorado law (as amended in 1931) provides that the board of county commissioners in each county "shall establish a system of old-age pensions" and "shall annually appropriate sufficient sums to carry out the provisions of the act.

Three States (Kentucky, Maryland, and Minnesota) provide optional features in which it is definitely stated in the law that the county may elect to adopt the old-age pension system. The States differ in that they make it more or less difficult for the county to adopt the system. The Minnesota and the West Virginia laws are probably the most difficult, in that, while they authorize any county in the State to establish a system of old-age pensions, "before so doing the proposition of the establishment of such a system shall be duly submitted to the legal voters of the county at the ensuing general election to be held therein, and if a majority of the legal voters voting at such election shall vote in favor of the establishment of such a system, then it shall be established in said county pursuant to the conditions of this act." The Maryland act provides that "The mayor and council of the city of Baltimore, or the county commissioners of any county, are hereby authorized to establish a system of old-age pensions in accordance with the provisions of this article." The Kentucky law provides that "the fiscal court or county commissioners of each of the counties of the State may, after first adopting the provisions of this act, establish a system of old-age pensions in accordance with the provisions provided herein."

To be eligible for receipt of the pension, the applicant must have attained a certain age—65 years in Alaska (women 60), Colorado, Delaware, Idaho, Maryland, Nevada, Utah, West Virginia, and Wyoming; 70 in California, Kentucky, Massachusetts, Minnesota, Montana, New Hampshire, New Jersey, New York, and Wisconsin. He must usually be a citizen of the United States for 15 years and must fulfill certain residence qualifications. Thus, residence in the State for a specified period is required—5 years in Delaware; 10 years in Idaho,[2] Kentucky, Maryland, Nevada, New York, and West Virginia; 15 years in California,[3] Colorado, Minnesota,[3] Montana,[4] New Hampshire, New Jersey, Utah, Wisconsin,[3] and Wyoming; and 20 years in Massachusetts. Most of the laws also require residence in the county or local welfare district—1 year in California, New Jersey, and New York; 3 years in Idaho; 5 years in Utah and Wyoming; 10 years in Kentucky, Maryland, and West Virginia; and 15 years in Colorado, Minnesota,[3] New Hampshire, and Wisconsin.[3] The Alaska law provides that the applicant must have resided in the Territory since 1906.

Most of the laws exclude certain classes from benefits, the most common exclusions being persons with children or relatives able to support them, family deserters, habitual tramps and beggars, and inmates of certain public institutions. There are also certain property qualifications in most of the laws. Thus, no person is eligible for the pension who owns any property in West Virginia; has property valued at $2,500 or over or has an income exceeding $400 a year in Kentucky; has property worth over $2,000 in New Hampshire;

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[2] Or, if not continuous, 15 years, 5 of which immediately preceded date of application for pension.

[3] Or, if not continuous, 40 years, 5 of which immediately preceded application for pension.

[4] Or, if not continuous, 25 years, 5 of which immediately preceded application for pension.

has property worth over $3,000 in California, Colorado, Minnesota, Nevada, New Jersey, and Wisconsin; or has an annual income of more than $300 in Idaho, Montana, and Utah, or of more than $360 in Wyoming.

Amount of Pensions

The maximum pension payable under the law is set at an amount which, when added to the other income, does not exceed $1 a day in California, Colorado, Maryland, Minnesota, Nevada, New Jersey, West Virginia, and Wisconsin; $7.50 a week in New Hampshire; at $25 a month in Delaware, Idaho, Montana, and Utah; at $30 a month in Wyoming; at $35 a month for men and $45 a month for women in Alaska; and at $250 a year in Kentucky. No maximum is set in either Massachusetts or New York, but in Massachusetts, in fixing the allowance, consideration must be given to the applicant's resources, and the amount awarded must be sufficient to provide "suitable and dignified care," while in New York the pension must be such as will "provide adequately" for his needs.

Summary of Provisions of Laws

The table following shows the main features of the plans.

TABLE 1.—*Old-age pension systems in the United States*

State	Age	Maximum pension	Required period of— Citizenship	Required period of— Residence: State	Required period of— Residence: County	Maximum property limitations	Administered by—	Funds provided by—	Citation
			Years	*Years*	*Years*				
Alaska	[1] 65; [2] 60	$35 a month for males, $45 a month for females.	[3]	Since 1906.		No other sufficient means of support.	Board of trustees of Alaska Pioneers' Home.	Territory	Acts of 1929, ch. 65.
California	70	$1 a day	15	15	1	Assets, $3,000	County or city and county boards of supervisors.	Half by county, or city and county; half by State.	Acts of 1929, ch. 530.
Colorado	65	do	15	15	15	do	County judge	County	Acts of 1927, ch. 143, as amended by Acts of 1931, ch. 131.
Delaware	65	$25 a month	15	5			State old-age welfare commission.	State	Acts of 1931, ch. 85.
Idaho	65	do	15	10	3	Income, $300 a year	County probate judge and county commissioners.	County	Acts of 1931, ch. 16.
Kentucky	70	$250 a year	15	10	10	Income, $400 a year; assets, $2,500.	County judge	do	Acts of 1926, ch. 187.
Maryland	65	$1 a day	15	10	10		County commissioners	County, or city of Baltimore.	Acts of 1931, ch. 114.
Massachusetts	70	No limit	[3]	20			County or city board of public welfare.	Two-thirds by county or city; one-third by State.	Acts of 1930, ch. 402.
Minnesota	70	$1 a day	[4] 15	15	15	Assets, $3,000	County commissioners	Payments by county. Cities, towns, and villages to reimburse county.	Acts of 1929, ch. 47, as amended by Acts of 1931, chs. 72 and 138.
Montana	70	$25 a month	15	15		Income, $300 a year	do	County	Acts of 1923, ch. 72.
Nevada	65	$1 a day	15	10		Assets, $3,000	do	do	Acts of 1925, ch. 121.
New Hampshire	70	$7.50 a week	15	15	15	Assets, $2,000	do	Payments by county. Cities and towns to reimburse county.	Acts of 1931, ch. 165.
New Jersey	70	$1 a day	[3]	15	1	Assets, $3,000	County welfare board	One-fourth by county, three-fourths by State.	Acts of 1931, ch. 219.

[1] Males. [2] Females. [3] Citizenship required but no period specified. [4] Required period of residence in United States.

TABLE 1.—*Old-age pension systems in the United States*—Continued

State	Age	Maximum pension	Required period of— Citizenship	Required period of— Residence: State	Required period of— Residence: County	Maximum property limitations	Administered by—	Funds provided by—	Citation
			Years	*Years*	*Years*				
New York	70	No limit	(³)	10	1	Wholly unable to support self.	City or county board of social welfare.	Half by city or county; half by State.	Acts of 1930, ch. 387.
Utah	65	$25 a month	15	15	5	Income during past year, $300.	Board of county commissioners.	County	Acts of 1929, ch. 76.
West Virginia	65	$1 a day	15	10	10	Any property or income	County court	do	Acts of 1931, ch. 32.
Wisconsin	70	do	15	15	15	Assets, $3,000	County judge	Payments by county. State to refund one-third; city, town, and village to refund two-thirds.	Acts of 1925, ch. 121, as amended by Acts of 1929, ch. 181, and Acts of 1931, ch. 239.
Wyoming	65	$30 a month	15	15	5	Income, $360	County commissioners	County	Acts of 1929, ch. 87.

³ Citizenship required but no period specified.

Analysis of Various State Pension Laws

Alaska.—Alaska has the distinction of being the pioneer among the States now having old-age pension legislation, having passed its first law on the subject in 1915.[5] Practically every session of the Alaska Legislature since that time made changes in the law, until finally, in 1929, the act and its amendments were rewritten, and the whole was passed as chapter 65 of the Acts of 1929.

The act, besides providing for the maintenance of the Alaska Pioneers' Home, at Sitka, makes the three trustees of the home administrators of the pension fund also. An "aged pioneer" may choose whether he will be cared for at the home or through the pension.

To be eligible for the pension allowance, the applicant must be a resident of Alaska since 1906, a citizen of the United States; must, if a man, have attained the age of 65, or if a woman, 60 years; must be "worthy" and "in actual need of such allowance." No maximum amount of income is set, beyond which receipt of pension is barred, the applicant being required only to show that he is "dependent in part upon an allowance from the Territory for a living and has no other sufficient means of support."

In fixing the allowance the board is to take into consideration the necessities of the individual applicant and the cost of living in the locality where he resides, but in no case may the allowance exceed $35 a month for a man or $45 a month for a woman. If the applicant proves to be incapable of handling his money wisely, the board may appoint some one to disburse it for him so as to provide for his maintenance.

The whole cost of both pension and home is borne by the Territory.

California.—In California the act (Acts of 1929, ch. 530) entitles to aid any person 70 years of age or over who has been a citizen of the United States for 15 years; who has resided in the State continuously for 15 years immediately preceding application for pension (or for 40 years, 5 of which immediately preceded application), and in the county or city for 1 year; who has no children able to support him; and who has not deserted his family within the past 15 years. Inmates of public penal, correctional, or mental institutions are barred from pension. No pension may be paid to a person whose property exceeds $3,000, nor may the aid granted exceed an amount which, added to the other income, will equal $1 per day.

This law creates a State division of State aid to the aged, to supervise the measures taken by the cities and counties under the law, and provides that one-half of the cost of the system shall be borne by the State. The act provides that the county's share "shall be paid * * * in the same manner as other expenses of such county or city and county are paid."

Colorado.—The Colorado act (Acts of 1927, ch. 143) provided for an optional county system. It was amended in 1931 (by ch. 131), making adoption of the system mandatory upon the counties. The county judge and the board of commissioners of the county are charged with the administration of the act. Pensions under the act may not exceed

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[5] Arizona had passed such a law in 1914, but it was pronounced unconstitutional, on the ground of vagueness, even before it had time to come into effect.

an amount which, when added to the other income, will total $1 per day and may be granted only to persons 65 years of age or over who have been citizens of the United States for 15 years and have resided in the State and county for 15 years immediately preceding date of application.

No person shall be granted a pension (1) who is an inmate of an infirmary, insane asylum, or any other public correctional institution, or of a private benevolent institution; (2) who has been imprisoned for a felony within the past 10 years; (3) who without just cause has deserted wife (or husband) and children under 15 for six months or more during the past 15 years; (4) who has been a habitual vagrant or beggar within the past year; (5) who has children or others responsible for his support; (6) who has property in excess of $3,000; or (7) who has deprived himself of property in order to receive the pension.

If the pensioner is found incapable of taking care of himself or his money, some one may be appointed to take charge of his finances.

Burial expenses, in an amount not exceeding $100, may be paid by the county if the estate of the pensioner is insufficient to defray such expenses.

The whole cost of the plan is borne by the individual counties; the law provides that the board of county commissioners of the adopting county shall appropriate annually a sum sufficient to carry out the law but makes no suggestion as to how the money shall be raised.

Delaware.—The Delaware act (Acts of 1931, ch. 85) is unique among the old-age pension laws thus far enacted, for under it all of the cost is borne by the State.

This act went into effect July 1, 1931.

A State old-age welfare commission is created under the act. The membership of the original commission is appointed by the governor and selected from each of the three counties (rural New Castle, Kent, and Sussex) and the city of Wilmington; subsequent appointments are to be made by the chief justice of the State supreme court. The members of the commission are to serve without pay but will be entitled to an attendance fee of $5 for each meeting held and other expenses in the performance of their duties.

To be eligible for benefits under the law the applicant must be (1) 65 years of age or over, (2) a resident of the United States for 15 years and a resident of Delaware for not less than 5 years, and (3) without children or other responsible persons to support him. No one may receive assistance (1) who has disposed of any property for the purpose of obtaining assistance, (2) who is an inmate of any public reform or correctional institution or charitable or benevolent institution, or (3) who has been a professional tramp or begger one year prior to making application.

The amount of assistance allowed is dependent upon the circumstances in each case as shown by investigation by the commission but is limited to $300 annually, including the applicant's income from property or other sources. No amount in excess of $25 per month shall be allowed.

When the commission determines that a person is entitled to assistance, a certificate is to be issued showing the amount of monthly assistance granted. This certificate shall be valid for one year unless revoked for cause and is renewable at the option of the commission. The amount is payable by the State treasurer to the person named in the certificate, but if he is incapable of receiving it (upon the testimony of at least three credible witnesses) the money may be paid to some other person for the benefit of the aged person.

The act also provides for the payment of funeral expenses, up to a maximum of $100.

Pensioners are prohibited from receiving any other public assistance except, in cases of extreme emergency, medical and surgical treatment. The amount of assistance ceases and the certificate is canceled upon the pensioner's admittance to any charitable or benevolent institution.

Relief granted under the act is not subject to assignment, execution, sale, or charge, nor to fees allowed attorneys, etc., in bankruptcy proceedings. The property of qualified persons under the act is exempt from taxation and assessment for public purposes.

An annual appropriation of $200,000 is made by the act, and all expenses and salaries are to be paid from this appropriation.

Idaho.—Under the Idaho act (Acts of 1931, ch. 16), which went into effect April 12, 1931, a county old-age pension commission is created in each county of the State. The membership of the commission consists of the county probate judge and the board of county commissioners. The commissioners serve without extra compensation and their duties are prescribed by the State department of public welfare.

To be eligible for benefits under the law the applicant must be (1) 65 years of age or over; (2) a citizen of the United States for 15 years; (3) a resident of Idaho for not less than 10 years (or 15 years, at least 5 of which immediately preceded date of application), and a resident of the county for 3 years. An added qualification provides that during such resident period the applicant must have pursued some useful occupation or profession as far as possible. No person may receive a pension (1) who has been imprisoned during the 10 years preceding the date of application; (2) during the same period, has deserted his (or her) spouse or children; (3) who has been a professional tramp or beggar within one year prior to making application; (4) who has deprived himself of any property for the purpose of obtaining a pension; (5) who has no child or other responsible person able to support him; or whose annual income (including pension) exceeds $300.

The amount of pension allowed is determined by the commission after an investigation of each case, subject to a maximum of $25 per month. Upon approval of the application and the establishing of a rate of pension for the first year, a certificate is issued stating the amount of the monthly pension. Annual renewal of certificates is required. All pensions are paid monthly. If the beneficiary is incapable of taking care of his money or himself (upon the testimony of at least three reputable witnesses) the commission may order the payment to a guardian of such person or may even entirely suspend payment. Upon death of a beneficiary, if his estate is insufficient to defray the funeral expenses, an additional allowance, limited to $100, shall be made for this purpose.

Whenever a person receiving a pension becomes an inmate of a charitable institution, payments accruing upon a certificate must be paid to such institution. Pensioners are prohibited from receiving any other public relief, except for medical and surgical assistance.

Old-age pension certificates granted under the act are not subject to sale, assignment, execution, or attachment, nor may they pass to any trustee in bankruptcy cases. Upon the death of a pensioner or the last survivor of a married couple, the total amount of pension plus interest at 5 per cent per year from the date of allowance shall be a preferred claim against the estate of the deceased. Any amount recovered is to be refunded to the county treasury to the credit of the county poor fund.

Under the system the entire cost of the pension is borne by the individual counties.

Kentucky.—The Kentucky act (Acts of 1926, ch. 187) provides that in any county which accepts the provisions of the act, an old-age pension may be granted to persons 70 years or over who have been American citizens for at least 15 years and residents of the State and county for at least 10 years. No person may receive the pension who (1) has an income of more than $400 per year or who possesses property in excess of $2,500, (2) who is a professional beggar, (3) who is an inmate of a public charitable institution, (4) who deprived himself of property in order to obtain the pension, or (5) who has children or relatives responsible for his support.

The amount of the pension is determined by the county judge, but may not exceed $250 per year.

In this State, also, the cost of the pensions is paid by the counties granting them, the county commissioners being authorized to "levy, collect, and disburse such sums of money as may be necessary."

Maryland.—The old-age pension act of Maryland (Acts of 1931, ch. 114[6]) also provides for a county system, whose adoption is optional with the board of county commissioners and which may be abandoned after one year's trial. To be eligible for the pension the applicant must be 65 years of age or over, have been a citizen of the United States for 15 years, and a resident of the State and county for 10 years prior to applying for a pension.

The following are excluded from receipt of the pension: (1) An inmate of an insane asylum or public reform or correctional institution; (2) one who has been imprisoned for a felony at any time during the past 10 years; (3) one who during the past 15 years has, for a period of 6 months or more, deserted his wife or failed to support her or his children under 16 years of age; (4) one who has been a professional beggar or tramp within one year prior to application for pension; (5) one having children or other relatives responsible for his support.

The amount of pension plus any other income may not exceed $1 per day. If the pensioner proves to be incapable of disbursing his funds wisely, the county commissioners may appoint some responsible person to administer the pension for his benefit.

Burial expenses, not to exceed $125, are allowed if the estate of the pensioner is insufficient to defray these expenses.

The whole cost must be borne by the counties, but while the county is directed to make an appropriation for the purpose each year, there is no provision as to means of raising the money.

[6] Supersedes Acts of 1927, ch. 538.

Massachusetts.—Massachusetts joined the ranks of the old-age pension States in 1930, although its law (Acts of 1930, ch. 402) is really an extension of the former poor relief law of the State.

Each local board of public welfare is required to establish a bureau of old-age assistance through which benefits are to be paid to deserving citizens 70 years of age or over, in need of relief and support, and who have been residents of the State for at least 20 years prior to reaching 70. In fixing the amount of the allowance, consideration is to be given to the resources of the applicant and the ability of children or others to support him. No limit is set upon the amount which may be paid, but the amount must be sufficient to provide "suitable and dignified care." No person is to be deemed a pauper because of receiving assistance under the law.

One-third of the cost of assistance to needy aged is borne by the State, which reimburses the town of residence to this extent. In the case of a person without a legal settlement, the State pays the whole cost. In the case of a person aided by one town but whose legal settlement is in another town, the latter place is liable for two-thirds of the amount.

Supervision of the working of the act is placed in the hands of the State department of public welfare.

The act went into effect July 1, 1931.

Minnesota.—This law (Acts of 1929, ch. 47, as amended by Acts of 1931, chs. 72 and 138), like most of the acts which preceded it in other States, makes the adoption of its provisions optional with the county. In this State, however, for acceptance a majority of all the votes cast in the county, at a general election, is necessary, but the board of county commissioners may, by a majority vote, abandon the system after one year's trial. To obtain a pension the applicant must have attained 70 years of age and have been a resident of the United States, State, and county for 15 years (or in the State and county for 40 years, at least 5 of which have immediately preceded the application). The property qualification is set at $3,000. The pension, added to all other income, may not exceed $1 per day.

Funeral expenses, not to exceed $100, are also allowed if the pensioner's estate is insufficient to defray such expenses.

The following are barred from pensions: (1) Inmates of public insane asylums, penal, or correctional institutions, or of private charitable or benevolent institutions; (2) persons convicted of a felony within the past 10 years; (3) men who have for a period of 6 months or more during the past 15 years failed to support their wives and children under 15 years; (4) habitual tramps or beggars; (5) persons having children or others responsible and able to support them; and (6) persons who have deprived themselves of property in order to obtain the pension.

The system is administered by the board of county commissioners, which may delegate its powers to the board of public welfare or the poor commission of the county.

No State aid is provided under the act. The county boards are directed to make annual appropriations to carry out the provisions of the law and to collect from the cities, towns, and villages in the county the sums spent as pensions for their residents. The cities, towns, and villages are directed to levy a tax for the purpose of paying their share of the cost.

Montana.—Under the Montana law (Acts of 1923, ch. 72) the pensions are strictly county matters. The law directs the board of county commissioners of each county to act as an old-age pension board or commission. To be eligible for a pension the applicant must be 70 years of age or over, have been a citizen of the United States and a resident of the State for at least 15 years prior to application, or have resided in the State for 25 years, at least 5 of which immediately preceded application.

The following are excluded from pensions: (1) Persons who have been imprisoned in the State penitentiary during the past 10 years; (2) a man who during the past 15 years has, for a period of 6 months or more, deserted his wife or failed to support her or his children under 15 years of age, or a wife who has deserted her husband or failed to support such of her children as she was bound to support; (3) persons who have been professional beggars or tramps within one year preceding application for the pension; (4) persons who have children or other persons responsible for their support; (5) persons who have an annual income exceeding $300; and (6) persons who have deprived themselves of property in order to become eligible for the pension.

The amount of pension may not exceed $25 a month, and may be less than that according to the conditions in each case.

Funeral expenses, not to exceed $100, may also be allowed if the pensioner's estate is insufficient to defray such expenses.

In this State, also, the cost of the system is borne by the adopting county; there is no provision as to how the funds shall be raised.

Nevada.—The Nevada law (Acts of 1925, ch. 121) authorizes the county commissioners to pay pensions to the aged poor who fulfill the requirements of the law. The act specifically states that the pension is established "in recognization of the just claims of the inhabitants mentioned upon the aid of society, without thereby annexing the stigma of pauperism by legal definition."

Applicants must be at least 65 and must have been residents of the State for 10 years and citizens of the United States for 15 years.

Persons excluded from benefits are: (1) Inmates of insane asylums or public reform or correctional institutions; (2) a man who during the past 10 years has, for a period of 6 months or more, deserted his wife or failed to support her and his children under 15 years of age, or a wife who has deserted her husband or failed to support such of her children as she was bound to support; (3) persons who have been professional beggars or tramps within one year preceding application for the pension; (4) persons who have children or other persons responsible for their support; (5) persons who have assets exceeding $3,000; and (6) persons who have deprived themselves of property in order to become eligible for the pension.

The pension must not exceed an amount which, when added to the applicant's income from all other sources, will bring the total income to $1 a day. In case a pensioner is found incompetent to handle his money wisely, a guardian may be appointed.

Funeral expenses, not to exceed $100, may also be allowed if the pensioner's estate is insufficient to defray such expenses.

The cost of the plan is paid entirely by the county. The law authorizes the county commissioners to raise the funds necessary, but fails to specify how this shall be done.

New Hampshire.—By an act (ch. 165) of the 1931 legislature, New Hampshire became the seventeenth State to enact old-age pension legislation. Its law, which went into effect September 1, 1931, provides for a system of assistance "for the more humane care and relief of aged and dependent persons." Relief is to be extended by the counties, with reimbursement by the city or town legally chargeable for the assistance rendered.

To be eligible under the law the applicant must be (1) 70 years of age; (2) a citizen of the United States for 15 years; and (3) a resident of the State and of the county for 15 years. The following are ineligible for the pension: (1) A person who is able to support himself or has a child or other responsible person able to support him; (2) who has property exceeding $2,000; (3) who has deprived himself of any property for the purpose of obtaining a pension; (4) who is an inmate of a correctional or charitable institution; (5) who is in need of continued institutional care; (6) who has been imprisoned for a felony during the 10 years preceding the date of application; (7) who (if a husband) has failed to support his wife and children (under 16 years) for 6 months or more during the 10 years preceding the application for relief; (8) who has been a habitual tramp, beggar, or drunkard within one year prior to the date of making application.

The amount of pension allowed is fixed according to the condition of the applicant, subject, however, to a maximum of $7.50 per week from all sources. Upon the death of a beneficiary an additional allowance of $125 is made, provided the estate is insufficient to defray the funeral expenses.

Pensioners are prohibited from receiving any other public relief, except for medical and surgical assistance. Acceptance of any other public relief operates as a revocation of old-age assistance.

If a pensioner is incapable of taking care of himself or his money (upon the testimony of three disinterested and reputable witnesses), the county commissioners may direct the payment to any responsible person for the benefit of the pensioner or may suspend payment if deemed advisable.

Old-age assistance is exempt from attachment and from any tax levy of the State.

New Jersey.—Under the provisions of the New Jersey act (Acts of 1931, ch. 219) the old-age pension system goes into operation January 2, 1932, and payment of benefits begins July 1, 1932.

A division of old-age relief is created in the department of institutions and agencies. The supervision of old-age relief and the responsibility for the enforcement of the act are placed under the chief of the division. All rules and regulations made by the division of old-age relief are binding upon the county welfare boards acting as the county bureaus of old-age relief. A director of old-age relief is appointed in each county, and such other officers as are necessary to carry out the provisions of the act.

To be eligible for relief the applicant must be (1) 70 years of age; (2) unable to maintain himself or have no one responsible for his support; (3) a citizen of the United States; (4) a resident of and domiciled in the State for 15 years; and (5) in the county where the application is made for 1 year; and (6) not in need of continued institutional care. No one may receive assistance (1) who has made an assignment of property for the purpose of obtaining assistance; (2) has been convicted of a felony or misdemeanor; or (3) possesses property in excess of $3,000.

The amount and nature of assistance is determined by the county welfare board according to the circumstances of each case, subject to a maximum of $1 a day. The pensioner shall receive the relief in his own or some other suitable family home. As a condition to the granting of the relief it may be required that any property of the pensioner shall be transferred to the county. Upon the death of a beneficiary, an additional allowance where necessary may be paid, not exceeding $100. A person receiving relief under the act shall not be considered or classed as a pauper. Pensioners are prohibited from receiving any other public relief, except for medical and surgical assistance. Nothing in the act, however, shall prevent an aged person 70 years of age, not under the act, from receiving public assistance under any other law.

Amounts paid under the act are free from levy, sale, garnishment, attachment, or any other process. Pension benefits are also tax exempt by the State or any political subdivision, and in cases of bankruptcy the pension assets of the aged poor person do not pass to the trustee.

Each county must annually appropriate funds necessary for the administration of the act, but three-fourths of the amount expended is repaid by the State to each county. The State's share of old-age relief is provided from the revenue produced by an inheritance tax.

New York.—The New York law was passed in 1930 (Acts of 1930, ch. 387), and it, like that of Massachusetts, is in the nature of a relief law.

Administration is in the hands of city and county welfare boards, subject to supervision by the State department of social welfare. The law authorizes any city, forming part of a welfare district, to elect to set up its own board and pay relief to its own residents directly instead of through the county board.

To receive assistance under the law the applicant must have attained the age of 70, be wholly unable to support himself and without relatives responsible for his support, be a citizen of the United States, and have resided in the State for at least 10 years and in the public welfare district at least 1 year immediately prior to application. Persons barred from assistance under the act include (1) those in need of continued institutional care because of physical or mental disability, (2) inmates of public or private homes for aged or of an institution of a custodial, correctional, or curative character, and (3) those who have assigned or transferred their property for the purpose of becoming eligible for relief.

As in Massachusetts, no maximum amount of relief is set, the officials being instructed merely to "provide adequately" for those eligible for relief under the law, "with due regard to the conditions existing in each case." Wherever practicable the relief is to be in money, but medical and surgical care and nursing may also be given.

One-half of the amount spent in relief is to be borne by the local welfare district and the other half by the State. As to raising the funds the law provides as follows:

The legislative body of the public welfare district shall annually appropriate and make available to the order of the public welfare official such a sum as may be needed for old-age relief, together with a sufficient sum to defray administrative expenses to be incurred in connection therewith and include such sums in the taxes to be levied in the territory responsible for such old-age relief. Should the sum so appropriated, however, be expended or exhausted during the year and for the purpose for which it was appropriated, additional sums shall be appropriated by such legislative body as occasion demands to carry out the provisions of this article. In cities, such additional sums shall be paid from unexpended balances not required by law to be expended for a specific purpose, or from contingent funds where such exist. Where such balances are not available, or such funds do not exist, such moneys shall be raised by temporary loans or notes, certificates of indebtedness, or other obligation, and the amount necessary to pay such obligations shall be included in the next annual tax levy. In counties, such additional appropriations shall be paid from funds in the county treasury available therefor, except that if only part of the county constitutes a county public welfare district, only the funds of such public welfare district shall be appropriated, and then only to the extent of any excess thereof not needed for the purposes of the public welfare district under other provisions of this chapter. Should there be no such county funds, or county public welfare district funds available therefor, the county treasurer shall borrow a sufficient sum to pay such appropriations in anticipation of taxes to be collected therefor within the county public welfare district.

This law came into effect May 1, 1930, but payments did not begin until January 1, 1931.

Utah.—The Utah law (Laws of 1929, ch. 76) authorizes the board of county commissioners to pay old-age pensions to persons meeting the requirements of the law. The applicant must be at least 65, must have been a citizen of the United States for 15 years, have resided in the State for 15 years and in the county for 5 years preceding date of application, and be incapacitated from earning his livelihood.

The following are ineligible for benefit: (1) Persons convicted of a felony or indictable misdemeanor within the past 10 years; (2) husbands or wives who have during the past 15 years deserted their spouses or their children under 15 years; (3) persons who have been beggars or vagrants within the past year; (4) those whose income during the past year exceeded $300; (5) persons who have disposed of their property in order to become eligible for benefit; and (6) persons with relatives responsible and able to support them.

No pension may exceed $25 a month.

Burial expenses not to exceed $100 may also be allowed if the pensioner's estate is insufficient to defray such expenses.

In this State the law is administered by the county commissioners, and the cost of the system is paid by the county. The county boards are authorized to raise the necessary funds (in a manner not specified).

West Virginia.—The West Virginia act (Acts of 1931, ch. 32) went into effect June 11, 1931.

A county system of old-age pensions is established. Authorization to establish the system is given to every county court in the State. Before the system may be established, however, it must be voted upon by the people of the county at any general or special election and must receive a majority of all votes cast at the election. Pensions then become payable beginning with the next fiscal year, and shall continue until changed by a vote of the people. After two years' operation, the county court may, upon its own motion, and must upon the petition of 500 taxpayers, submit to a vote of the people the question of continuing the old-age pension system. Upon a majority vote opposing the continuance of the system, it shall then be abandoned on the following June 30. The question then can not be again submitted to the people until five years after the date of the last election. In counties having a population of 35,000 or more a "county pension agent" for the administration of the act may be appointed. The salary of such agent is fixed at $250 a month. All records relating to old-age pensions must be kept by the county court of every county maintaining a pension system.

An old-age pension may be granted only to an applicant who (1) has attained the age of 65 years or more; (2) has been a citizen of the United States for at least 15 years before making application for a pension; and (3) has resided in the State of West Virginia and the county in which he makes application continuously for at least 10 years immediately preceding the date of application. No person may receive a pension: (1) Who is at the time of his application an inmate of any public or private home for the aged, or any public home, or any public or private institution of a custodial, correctional, or curative character, except in the case of temporary medical or surgical care in a hospital; (2) who is, because of his physical or mental condition, in need of continued institutional care; (3) who, during the period of 10 years immediately preceding application, has been imprisoned for a felony; (4) who has, within one year preceding application, been a habitual tramp or beggar; (5) who has a child or other person responsible for his support and able to support him; (6) who has property, income, or other means of support; (7) who has disposed of or deprived himself, directly or indirectly, of any property for the purpose of qualifying for the pension; (8) who receives a pension from the United States or from any State or foreign government, or compensation under the laws of the State of West Virginia.

The amount of the pension is fixed according to the circumstances in each case, subject to a maximum of $1 a day. In the discretion of the county court, relief may include medical and surgical care, including nursing. Provision is made to extend the amount of regular relief whenever the pensioner is seriously ill and in actual need of medical care. Whenever possible, relief must be provided in the home of the pensioner or some other suitable family home. The county court determines the amount of regular relief and issues a certificate showing the amount of the monthly allowance.

In the event that the beneficiary under the act is possessed of property (other than household goods and personal property not exceeding $300) at his death, the county court has a prior lien upon such estate, to the amount of the aggregate payments made plus 3 per cent interest on such payments. The county prosecuting attorney is delegated to collect from the estate any funds found to be due. Upon the allowance of any pension relief by the court, the clerk of county court must issue drafts on the last day of each month payable to the beneficiaries.

All pensions are tax exempt and free from levy, sale, garnishment, and attachment.

A county court of a county maintaining a system of old-age relief must each year estimate the probable amount needed and levy a special tax, not to exceed the sum of 5 cents on each $100 of assessed valuation of property in the county.

Wisconsin.—The Wisconsin law (Acts of 1925, ch. 121, as amended by Acts of 1929, ch. 181, and Acts of 1931, ch. 239) also throws upon the county the primary responsibility for pensions, but gives the State a measure of supervision based upon its contribution of one-third of the amount thus paid out. Under the original act, any county could adopt the measure by a majority vote of its board of commissioners and abandon it after a year's trial, but by the 1931 amendment, the system becomes mandatory on all the counties July 1, 1933.

Applications for pensions must be made to the county judge. Applicants must be at least 70, and must have been citizens of the United States for 15 years, and residents of the State and county for 15 years (or for 40 years, at least 5 of which must have immediately preceded the application for pension).

Persons excluded from benefit include deserters of families; habitual tramps and beggars; inmates of correctional, charitable, or mental institutions, or homes for the aged; felons; persons who have deprived themselves of property in order to become eligible for the pension; and persons having children or others responsible and able to support them.

The property qualification is set at $3,000.

The amount of the pension, plus the applicant's income from all other sources, may not amount to more than $1 a day. Funeral expenses, not to exceed $100, may also be allowed if the pensioner's estate is insufficient to defray such expenses.

A county establishing the system must appropriate annually enough to meet its demands, and from this the county treasurer must pay out the pensions upon the order of the judge of the county court. This is to be repaid by the local units which are responsible for the pensioner, each city, town, and village reimbursing the county for all amounts of money paid in old-age pensions to its residents, less the amounts received by the county from the State.

One-third of the cost is to be repaid to the counties by the State.

Wyoming.—The Wyoming statute (Acts of 1929, ch. 87) also provides for a county system. To obtain the pension the applicant must be 65 years of age or older, have been a citizen of the United States for 15 years, and a resident of the State for 15 years and of the county 5 years.

The following are excluded from pensions: (1) Persons convicted of a penitentiary offense within the past 10 years; (2) husbands who have, without cause, deserted their wives or children under 15 for a period of 6 months or more within the past 15 years, or wives who have without cause deserted husband and minor children during the same period; (3) persons who have been professional tramps or beggars within the past year; (4) persons with incomes of over $360 a year; (5) persons who have deprived themselves of property in order to become eligible for the pensions; and (6) persons with children or others responsible and able to support them.

The pension may not exceed $30 per month. Funeral expenses, not to exceed $100, may also be allowed if the pensioner's estate is insufficient to defray such expenses.

The act is administered by the county commissioners, acting as a pension committee, and the cost is borne by the county adopting the system, from the regular county poor fund, but the cost is limited to the amount of a tax of one-fourth mill on property.

Operation of State Laws

At the end of 1931, 17 States (California, Colorado, Delaware, Idaho, Kentucky, Maryland, Massachusetts, Minnesota, Montana, Nevada, New Hampshire, New Jersey, New York, Utah, West Virginia, Wisconsin, and Wyoming) had passed laws providing for old-age pensions or relief. Of these, only nine (California, Colorado, Kentucky, Maryland, Montana, Nevada, Utah, Wisconsin, and Wyoming) had actually gone into operation at the end of 1930. The adoption of the system in Minnesota was delayed by the requirement of the law providing that the question of adoption must be voted upon at a general election and must receive, for adoption, a majority of all the votes cast. The matter did not, therefore, come before the voters of any Minnesota county until November, 1930. At that time the pension plan was adopted in five counties, but legal and other difficulties with regard to funds still further delayed the operation of the system, so that no pensions were paid in that State in 1930. In the other States the laws went into operation in 1931, as follows: New York, January; Idaho, April; West Virginia, June; Delaware and Massachusetts, July; and New Hampshire, September. The New Jersey act does not go into effect until January 1, 1932, and payments begin July 1, 1932.

In order to ascertain the actual extent of the protection of these laws, inquiry was made by the Bureau of Labor Statistics, early in 1931, as to the experience in the nine States which had been operating at the end of 1930. The results of this inquiry and the available data as to the 1931 experience in Massachusetts, New York, and Delaware are given in the following pages.

Data were received from each of the nine States whose system was in force in 1930, covering 377 of the 461 counties. Of these 377 counties, 137 had adopted the pension plan and were, at the end of the year, caring for more than 10,000 persons, at an expenditure for 1930 of some $1,700,000—an average of $14.32 per pensioner. This is more than double the number of counties which had the system in 1928, more than ten times as many old people being cared for and more than eight times as much being expended for their relief as in 1928. Analysis of the figures shows, however, that this increase was due mainly to the spread of the plan to additional States and not to any great growth in the original pension States. Practically no headway has been made in Colorado, Kentucky, or Nevada. In Maryland, two jurisdictions, one of them containing the largest city in the State, have recently adopted the plan, and in Montana two additional counties have done so since 1928. The greatest gain over 1928 was shown in Wisconsin. Comparison of the data in the six States covered in both 1928 and 1930 reveals the fact that in those States the number of adopting counties increased by about one-ninth, the pensioners about doubled in number, and the amount spent in pensions increased about 50 per cent.

Certain defects in some of the State laws are revealed by the reports. One weakness is the failure to specify means by which the adopting counties may raise the necessary funds.[7] The outstanding feature revealed, however, is the weakness of the "optional" law, especially where no measure of State aid is provided. Of the eight States having laws whose adoption is optional with the individual county, in only two do the adopting counties form as much as one-seventh of the total number of counties in the State, and in two States, notwithstanding that the laws have been on the books since 1926 and 1927, respectively, they form less than 2 per cent of the total. In Utah, 13 of the 29 counties, and in Montana 44 of 56 counties have put the pension system into operation. In Wisconsin, 8 of the 71 counties had adopted the scheme in 1930 and a ninth has recently joined them; in this State the county receives State aid to the extent of one-third of the cost of the pensions.

A brighter side to the picture is seen in the fact that though only a small proportion of counties have adopted the plan these are in most instances the larger counties, so that their adoption carries with it protection for a proportionately larger section of the State population than their numbers would indicate.

The value of the mandatory plan has been recognized in Colorado and Wisconsin, the 1931 sessions of whose legislatures have amended their laws, making them mandatory instead of optional. However, the relative development of the old-age pension system in such "mandatory" States as Wyoming on the one hand and California and New York on the other seems to indicate that, regardless of whether the law is or is not mandatory, funds must be forthcoming before pensions can be paid, and that State aid imparts a great impetus toward the adoption and spread of the system.

The cost of the pension varies widely from State to State and county to county. Absolute figures, however, mean little in this connection. A better criterion is the annual per capita cost of pensions. Here again a wide variation is shown, the per capita cost ranging, by States, from 4 cents to $1.35 per inhabitant. In three States the cost was around 25 cents, while in the oldest pension State of all the per capita cost was 37 cents.

That the amount of pension granted does not tend to approach the maximum allowable is shown by the fact that in 1928 the average pension was $17.37, while in 1930 it was $14.32. In the six States for which data for both years are available the average pension fell from $17.37 to $13.57.

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[7] This has been remedied in Wyoming by an amendment authorizing a tax on real estate, and in Minnesota by an amendment authorizing the transfer of money from other funds.

Summary data for 1930 are shown in Table 2; the 1931 experience of those other States for which information is available is also given.

TABLE 2.—*Summary of operation of State old-age pension laws*

Year and State	Year of passage of law	Counties in State: Total number	Counties in State: Number reported for	Counties having pension system: Number	Counties having pension system: Number of pensioners	Counties having pension system: Average pension per month[1]	Counties having pension system: Amount paid in pensions
1930							
California	1929	58	58	58	7,205	[2] $15.63	$1,296,455
Colorado	1927	63	57	1	[3]	[3]	[3]
Kentucky	1926	120	67	2	18	5.39	1,164
Maryland	1927	24	10	2	12	12.00	1,800
Montana	1923	56	55	44	889	14.09	149,100
Nevada	1925	17	13	2	5	25.00	900
Utah	1929	29	25	13	1,107	7.37	95,780
Wisconsin	1925	71	71	[4] 8	989	13.19	156,510
Wyoming	1929	[5] 23	21	7	82	13.21	12,679
Total		461	377	137	10,307	14.32	1,714,388
1931							
Delaware	1931				[6] 1,000		
Massachusetts	1930				[6] 2,000		
Minnesota	1929	87	87	5			
New York	1930	62	62	62	42,021	26.65	[7] 5,138,582

[1] Computed on basis of number of pensioners and amount spent in pensions.
[2] Average for 41 counties for which bureau has data as to number of pensioners and amount spent in pensions; State office gives $22.56 as average pension for entire State.
[3] No pensions paid.
[4] A ninth county has adopted the system since the beginning of 1931.
[5] Not including Yellowstone Park.
[6] Approximate.
[7] Expended from April to August, inclusive.

Extent of Adoption of Pension System

The pension systems have met with varying degrees of success in their acceptance by the people of the State. Table 3 divides the States according to whether the law is voluntary or mandatory in form, and shows for each State the proportion of the population in those counties which had adopted the old-age pension system at the end of 1930.

That it is mainly the larger counties which are voluntarily adopting the system is shown in the three States of Maryland, Minnesota, and Wisconsin. In Maryland, though only 2 of the 24 counties had at the end of 1930 voted to accept the system, these contain slightly more than half of the entire population of the State. The 5 adopting counties (of a total of 87) in Minnesota have more than two-fifths of the population, and the 9 adopting counties (out of 71) in Wisconsin have 37.3 per cent of that State's population. In Montana (whose law has been on the statute books longer than that of any other State) 44 of the 56 counties had adopted the old-age pension system at the end of 1930 and more than three-fourths of the population of the State is under the coverage of the law. In Utah only 13 of the 29 counties had put the system into operation at the close of 1930, but these contain nearly three-fourths of the whole population of the State. Almost negligible progress has been made in Colorado, Kentucky, and Nevada, although their laws have been in effect since 1927, 1926, and 1925, respectively. Some of the reports from Colorado expressed the hope that more progress will be made now that the law of that State has been made mandatory upon the counties.

As would be expected, a much wider operation of the old-age pension system is found in the "mandatory" States. Nevertheless, even among these the case of Wyoming shows that even though a law may be said to be compulsory upon the counties, if the State contributes nothing and the counties have no funds for the purpose, the law remains inoperative. In Wyoming, however, an amendment to the law has been passed which requires a specific levy for pension purposes and this, it is expected, will assist the spread of the system there. General acceptance of the system is found in Delaware, California, Massachusetts, and New York; in the last three of these States part of the cost is borne by the State, while in Delaware the State pays the whole amount.

TABLE 3.—*Extent and coverage of pension system in specified States at end of 1930, by type of law*

State and type of law	Population of State, 1930	Number of counties in State	Counties having pension system [1]		
			Number	Population	Per cent of State population
Voluntary					
Colorado	1,035,791	63	1	36,008	3.5
Kentucky	2,614,589	120	2	26,246	1.0
Maryland	1,631,526	24	2	823,457	50.5
Minnesota	2,563,953	87	5	1,067,702	41.6
Montana	537,606	56	44	411,602	76.6
Nevada	91,058	17	2	4,656	5.1
Utah	507,847	29	13	373,551	73.6
Wisconsin	2,939,006	71	9	1,097,277	37.3
Mandatory					
California	5,677,251	58	58	5,677,251	100.0
New York	12,588,066	62	62	12,588,066	100.0
Wyoming	225,565	23	7	78,868	35.0

[1] Includes also those which, although they have adopted the system, have not yet put it into effect.

Average Amount of Pension Paid

In all States but New York and Massachusetts a maximum amount of pension is set which may in no case be exceeded. Subject to this limitation, the pension authorities fix the allowance on the basis of other income and of the pensioner's need.

The data collected show wide variation in the amounts actually granted. The most liberal State, from the point of view of the individual pension, appears to be New York, with Nevada coming second. California comes third. In Wisconsin and Wyoming the amounts granted are almost identical, while Kentucky and Utah are far behind.

Within the States, also, as Table 4 shows, there is a wide range of amounts. The second half of the table shows the distribution of the reporting counties in each State according to the size of the average pension.

TABLE 4.—*Average and range of monthly pensions, and distribution of counties by size of pension paid, 1930*

State	Average pension paid [1]	Range of pensions paid	Number of counties in which average monthly pension paid was—						
			Under $10	$10 and under $15	$15 and under $20	$20 and under $25	$25 and under $30	$30 or over	Total
California	[2] $15.63	$5.00-$27.76	2	2	12	14	12	------	[3] 42
Kentucky	5.39	5.00- 12.00	1	1	------	------	------	------	2
Maryland	12.00	12.00	------	1	------	------	------	------	[4] 1
Montana	14.09	8.72- 25.00	1	14	18	4	6	------	[4] 43
Nevada	25.00	25.00	------	------	------	------	1	------	[3] 1
New York [5]	27.48	13.75- 33.91	------	3	35	29	10	2	79
Utah	7.37	4.00- 15.00	7	5	1	------	------	------	13
Wisconsin	13.19	9.78- 18.90	1	5	2	------	------	------	8
Wyoming	12.10	13.50- 16.66	------	2	4	------	------	------	6
Total	---------	-------------	12	33	72	47	29	2	195
Per cent	---------	-------------	6.2	16.9	36.9	24.1	14.9	1.0	100.0

[1] Computed on basis of number of pensioners and amount paid in pensions.
[2] Average for counties reporting; State office gives $22.56 as average pension for entire State.
[3] Not including 2 which paid no pensions.
[4] Not including 1 which paid no pensions.
[5] Data as of end of March, 1931.

Cost of Pensions

The details of number of pensioners and cost are shown, by county, in Table 5. A wide range is shown both in average pension and in per capita cost.

It is seen that in most cases the pensioners form a very small part of the population of the county, usually less than one-half of 1 per cent. In individual counties, however, the proportion runs up above the general level, California even having two counties and Montana having one county in which the pensioners form over 1 per cent of the county population.

As regards per capital cost, the lowest State average is found in Kentucky where, in 1930, old-age pensions (in the two counties which had the system in operation) cost only 4 cents per inhabitant. At the other end of the scale is Nevada (one county only) where the cost was $1.35 per inhabitant. The cost in the three States of California, Utah, and Wyoming was about 25 cents per capita, while in Montana, where the system has been in operation long enough for it to have become fairly stable, the per capita cost in 1930 was 37 cents. Certain counties show pensioners and costs out of all proportion to the general picture, but these were undoubtedly caused by special local conditions.

TABLE 5.—*Number of pensioners and cost of pensions, 1930, by State and county*

State and county	Population, 1930	Pensioners		Average pension per month	Pensions paid, 1930	
		Number	Per cent of population		Amount	Annual cost per capita of population
California						
Alameda	474,883	946	0.20	$25.00	$260,000.00	$0.55
Alpine	241	(1)		(1)	(1)	
Amador	8,494	61	.72	15.00	4,050.16	.48
Butte	34,093	282	.83	15.00	28,725.00	.84
Calaveras	6,008	38	.63	20.00	2,178.00	.36
Colusa	10,258	60	.58	17.45	5,825.66	.57
Contra Costa	78,608	94	.12	23.00	20,622.60	.26
Eldorado	8,325	155	1.86	20.00	27,460.00	3.30
Glenn	10,935	44	.40	[2] 17.27	7,599.19	.70
Imperial	60,903	9	.01	25.00	1,590.00	.03
Inyo	6,555	21	.32	27.76	3,912.00	.60
Lake	7,166	21	.29	20.00	5,293.00	.74
Lassen	12,589	40	.32	22.00	4,084.92	.32
Los Angeles	2,208,492	1,681	.08	25.36	[3] 416,913.36	.10
Madera	17,164	47	.27	15.00	6,373.78	.39
Marin	41,648	52	.12	21.00	12,697.00	.37
Mendocino	23,505	92	.39	15.00	9,486.00	.40
Merced	36,748	20	.05	18.00	1,022.35	.03
Modoc	8,038	12	.15	25.00	300.00	.04
Mono	1,360	3	.22	26.00	650.00	.48
Napa	22,897	(1)		(1)	(1)	
Nevada	10,596	68	.64	[2] 22.06	[4] 12,000.00	1.70
Orange	118,674	115	.10	20.00	18,398.64	.16
Placer	24,468	110	.45	12.00	[5] 24,511.00	1.00
Plumas	7,913	19	.24	18.00	4,100.00	.52
Riverside	81,024	68	.08	[2] 24.26	10,000.00	.12
Sacramento	141,999	450	.32	25.00	44,433.00	.31
San Benito	11,311	12	.11	23.80	3,426.00	.30
San Diego	209,659	350	.17	25.00	[6] 30,075.00	.29
San Francisco	634,394	861	.14	[2] 27.30	116,409.00	.18
San Luis Obispo	29,613	80	.27	25.00	[7] 22,384.00	.64
San Mateo	77,405	80	.10	[2] 5.00	4,000.00	.05
Santa Barbara	65,167	82	.13	25.00	3,275.50	.05
Santa Clara	145,118	307	.21	22.50	26,212.02	.18
Shasta	13,927	250	1.79	20.00	60,000.00	4.31
Sierra	2,422	11	.45	[2] 9.90	1,305.00	.54
Siskiyou	25,480	70	.28	15.00	(8)	
Solano	40,834	66	.16	21.30	10,478.21	.26
Sonoma	62,222	136	.22	[2] 17.32	[6] 10,326.00	.33
Stanislaus	56,641	94	.17	19.00	13,404.00	.24
Tehama	13,866	59	.43	10.00	5,507.00	.40
Tulare	77,442	113	.15	22.75	27,000.00	.35
Tuolumne	9,271	60	.65	15.00	900.00	.10
Ventura	54,976	66	.12	25.00	29,527.96	.54
Total (44)	4,993,332	7,205	[9] .15	[2] 15.63	1,296,455.35	[10] .27
Colorado						
Las Animas	36,008	(11)			(11)	
Total (1)	36,008	(11)			(11)	
Kentucky						
Calloway	17,662	17	.10	5.00	1,020.00	.06
Martin	8,584	1	.01	12.00	144.00	.02
Total (2)	26,246	18	[9] .07	[2] 5.39	1,164.00	[10] .04
Maryland						
Baltimore (city)	804,874	(1)			(1)	
Talbot	18,583	12	.06	12.00	1,800.00	.10
Total (2)	823,457	12	[9] .06	[2] 12.00	1,800.00	[10] .10

[1] No pensions paid in 1930.
[2] Computed on basis of number of pensioners and amount paid in pensions.
[3] Year ending in February, 1931.
[4] 8 months.
[5] Year ending Apr. 1, 1931.
[6] 6 months.
[7] 15 months ending Mar. 1, 1931.
[8] Not reported.
[9] Based upon counties reporting number of pensioners.
[10] Based upon counties reporting amount spent in pensions.
[11] System does not go into effect until Jan. 1, 1932.

TABLE 5.—*Number of pensioners and cost of pensions, 1930, by State and county*—Continued

State and county	Population, 1930	Pensioners		Average pension per month	Pensions paid, 1930	
		Number	Per cent of population		Amount	Annual cost per capita of population
Minnesota						
Blue Earth	33,847	(1)	-------	(1)	(1)	-------
Hennepin	517,785	11	-------	(1)	(1)	-------
Ramsay	286,721	(1)	-------	(1)	(1)	-------
St. Louis	204,596	(1)	-------	(1)	(1)	-------
Washington	24,753	(1)	-------	(1)	(1)	-------
Total (5)	1,067,702	11	-------	(1)	(1)	-------
Montana						
Beaverhead	6,654	16	0.24	$25.00	$5,600.00	$0.84
Big Horn	8,543	3	.04	15.00	225.00	.03
Blaine	9,006	9	.10	15.00	1,800.00	.20
Carbon	12,571	21	.17	15.00	3,322.50	.26
Carter	4,136	4	.10	10.00	205.00	.05
Cascade	41,146	67	.16	20.00	12,000.00	.29
Daniels	5,553	7	.13	14.00	1,800.00	.32
Dawson	9,881	17	.17	[2] 12.48	2,545.00	.26
Deerlodge	16,293	33	.20	15.00	5,685.00	.35
Fallon	4,568	3	.07	15.83	550.00	.12
Flathead	19,200	63	.33	11.11	8,407.00	.44
Gallatin	16,124	24	.15	12.50	3,698.27	.23
Garfield	4,252	6	.14	[2] 16.00	1,062.50	.25
Glacier	5,297	9	.17	20.00	1,405.00	.27
Golden Valley	2,126	8	.38	[2] 11.46	1,100.00	.52
Granite	3,013	18	.60	[2] 14.00	[12] 2,855.00	.95
Hill	13,775	24	.17	[2] 12.19	3,510.00	.25
Jefferson	4,133	50	1.21	12.50	6,957.50	1.68
Judith Basin	5,238	1	.02	25.00	300.00	.06
Lake	9,541	8	.08	14.52	1,350.00	.14
Lewis and Clark	18,224	96	.53	13.94	16,056.00	.88
Liberty	2,198	7	.32	25.00	2,000.00	.91
Lincoln	7,089	22	.31	18.00	4,327.00	.61
McCone	4,790	(1)	-------	-------	(1)	-------
Meagher	2,272	10	.44	[2] 18.54	2,225.00	.98
Mineral	1,626	15	.92	[2] 8.72	1,569.00	.96
Musselshell	7,242	19	.26	15.65	2,600.00	.36
Park	10,922	12	.11	15.00	2,000.00	.18
Petroleum	2,045	7	.34	15.00 20.00	(8)	-------
Powell	6,202	24	.39	15.00	3,495.00	.56
Prairie	3,941	6	.15	[2] 14.25	1,025.00	.26
Ravalli	10,315	55	.53	[2] 11.82	7,036.00	.68
Richland	9,633	3	.03	14.00	272.00	.03
Roosevelt	10,672	3	.03	25.00	900.00	.08
Rosebud	7,347	12	.16	21.25	3,240.00	.44
Sanders	5,692	24	.42	15.00	4,252.00	.75
Sheridan	9,869	16	.16	15.00	2,500.00	.25
Silver Bow	56,969	107	.19	15.00	19,100.25	.34
Stillwater	6,253	10	.16	25.00	1,620.00	.26
Sweet Grass	3,944	5	.13	15.00	845.00	.21
Toole	6,714	15	.22	25.00	3,275.00	.49
Treasure	1,661	1	.06	15.00	180.00	.11
Valley	11,181	[13] 18	[13] .16	[13] 21.70	[13] 4,690.00	[13] .42
Wheatland	3,751	11	.29	15.00	1,515.00	.40
Total (44)	411,602	889	[9] .22	[2] 14.09	149,100.02	[10] .37
Nevada						
Nye	3,989	(1)	(1)	(1)	(1)	-------
Storey	667	5	.75	25.00	900.00	1.35
Total (2)	4,656	5	[2] .75	25.00	900.00	[10] 1.35

[1] No pensions paid in 1930.
[2] Computed on basis of number of pensioners and amount paid in pensions.
[8] Not reported.
[9] Based upon counties reporting number of pensioners.
[10] Based upon counties reporting amount spent in pensions.
[12] Year ending Jan. 31, 1931.
[13] Year ending July, 1930.

TABLE 5.—*Number of pensioners and cost of pensions, 1930, by State and county*—Continued

State and county	Population, 1930	Pensioners: Number	Pensioners: Per cent of population	Average pension per month	Pensions paid, 1930: Amount	Pensions paid, 1930: Annual cost per capita of population
New York						
Albany	211,953	685	0.32	$23.16	----------	------
Allegany	38,025	71	.19	17.61	----------	------
Broome	[15] 104,443	366	.35	23.57	----------	------
Union	42,579	56	.13	20.89	----------	------
Cattaraugus	72,398	263	.36	18.17	----------	------
Cayuga	64,751	294	.45	14.94	----------	------
Chautauqua	[15] 63,500	258	.41	14.44	----------	------
Dunkirk	17,802	38	.21	22.18	----------	------
Jamestown	45,155	78	.17	20.60	----------	------
Chemung	[15] 27,283	180	.66	19.45	----------	------
Elmira	47,397	140	.30	24.34	----------	------
Chenango	[15] 26,287	199	.76	15.46	----------	------
Norwich	8,378	43	.51	17.58	----------	------
Clinton	[15] 33,338	184	.55	15.31	----------	------
Plattsburg	13,349	40	.30	16.45	----------	------
Columbia	41,716	229	.55	23.03	----------	------
Cortland	[15] 16,666	51	.31	16.96	----------	------
Cortland	15,043	48	.32	21.44	----------	------
Delaware	41,163	272	.66	17.85	----------	------
Dutchess	[15] 53,241	266	.50	18.85	----------	------
Beacon	11,933	73	.61	21.32	----------	------
Poughkeepsie	40,288	204	.51	25.77	----------	------
Erie	762,408	551	.07	25.51	----------	------
Essex	33,959	255	.75	18.18	----------	------
Franklin	45,694	364	.80	16.18	----------	------
Fulton	46,560	254	.55	18.48	----------	------
Genesee	[15] 27,093	73	.27	18.08	----------	------
Batavia	17,375	63	.36	18.94	----------	------
Greene	25,808	135	.52	17.47	----------	------
Hamilton	3,929	10	.25	27.00	----------	------
Herkimer	64,006	173	.27	17.11	----------	------
Jefferson	83,574	495	.59	16.48	----------	------
Lewis	23,447	113	.48	18.81	----------	------
Livingston	37,560	89	.23	16.96	----------	------
Madison	39,790	190	.48	17.97	----------	------
Monroe	423,881	644	.15	28.25	----------	------
Montgomery	60,076	201	.33	18.20	----------	------
Nassau	303,053	425	.14	26.36	----------	------
New York (greater New York)	6,930,446	15,878	.23	33.91	----------	------
Niagara	[15] 126,169	218	.17	20.09	----------	------
Lockport	23,160	104	.45	22.13	----------	------
Oneida	[15] 196,613	407	.21	21.83	----------	------
Sherrill	2,150	1	.05	15.00	----------	------
Onondaga	[15] 82,280	225	.27	21.18	----------	------
Syracuse	209,326	419	.20	24.37	----------	------
Ontario	54,276	232	.43	15.06	----------	------
Orange	[15] 99,108	512	.52	24.93	----------	------
Newburgh	31,275	181	.58	19.92	----------	------
Orleans	28,795	129	.45	17.85	----------	------
Oswego	[15] 34,531	248	.72	17.21	----------	------
Fulton	12,462	79	.63	20.34	----------	------
Oswego	22,652	129	.57	23.64	----------	------
Otsego	46,710	269	.58	18.86	----------	------
Putnam	13,744	42	.31	30.14	----------	------
Rensselaer	119,781	742	.62	26.06	----------	------
Rockland	59,599	148	.25	25.17	----------	------
St. Lawrence	90,960	377	.41	22.16	----------	------
Saratoga	50,145	327	65	23.49	----------	------
Saratoga Springs	13,169	73	.55	18.00	----------	------
Schenectady	29,329	80	.27	23.59	----------	------
Schenectady	95,692	176	.18	27.36	----------	------
Schoharie	19,667	149	.76	13.75	----------	------
Schuyler	12,909	98	.76	21.51	----------	------
Seneca	24,983	157	.63	20.37	----------	------
Steuben	82,671	466	.56	15.58	----------	------
Suffolk	161,055	187	.12	20.36	----------	------
Sullivan	35,272	102	.29	22.83	----------	------
Tioga	25,480	251	.98	19.83	----------	------

[15] Population, exclusive of city or cities named.

TABLE 5.—*Number of pensioners and cost of pensions, 1930, by State and county*—Continued

State and county	Population, 1930	Pensioners		Average pension per month	Pensions paid, 1930	
		Number	Per cent of population		Amount	Annual cost per capita of population
New York—Continued.						
Tompkins	20,782	98	0.47	$22.92		
Ithaca	20,708	116	.56	27.13		
Ulster	52,067	357	.69	18.10		
Kingston	28,088	127	.45	24.34		
Warren	15,643	100	.64	18.84		
Glens Falls	18,531	55	.30	22.96		
Washington	46,482	244	.52	21.03		
Wayne	49,995	277	.55	19.06		
Westchester	520,947	348	.07	28.95		
Wyoming	28,764	109	.38	15.28		
Yates	16,848	127	.75	22.08		
Total (79 [16])	12,588,165	32,437	[9] .26	27.48		
Utah						
Beaver	5,136	20	.39	11.50	$2,260.00	$0.44
Carbon	17,798	20	.11	15.00	1,985.00	.11
Duchesne	8,263	4	.05	10.00	(1)	
Garfield	4,642	15	.32	[2] 6.18	1,115.00	.24
Grand	1,813	10	.55	10.00	1,135.00	.63
Juab	8,605	42	.49	9.47	4,051.50	.47
Millard	9,945	15	.15	7.25	1,200.00	.12
Morgan	2,536	5	.20	10.00	120.00	.05
Salt Lake	194,102	642	.33	10.00	[17] 54,282.13	.28
San Juan	3,496	3	.09	7.50	270.00	.08
Sanpete	16,022	34	.21	4.00	[18] 625.50	.09
Utah	49,021	168	.34	9.51	15,610.00	.32
Weber	52,172	129	.25	9.00	13,125.50	.25
Total (13)	373,551	1,107	[9] .30	[2] 7.37	95,779.63	[10] .26
Wisconsin						
Douglas	46,583	(1)			(1)	
Kenosha	63,277	55	.09	[2] 14.14	9,995.00	.16
La Crosse	54,455	190	.35	[2] 14.26	32,517.36	.60
Langlade	21,544	38	.18	[2] 14.15	6,454.00	.30
Milwaukee	725,263	[19] 387	.05	[2] 11.79	[19] 54,772.86	.08
Outagamie	62,790	139	.22	[2] 14.34	23,931.50	.38
Sawyer	8,878	23	.26	[2] 18.90	5,217.00	.59
Winnebago	76,622	96	.13	[2] 9.78	11,222.00	.15
Wood	37,865	61	.16	[2] 16.94	12,400.00	.33
Total (9)	1,097,277	989	[9] .09	[2] 13.19	156,509.72	[10] .15
Wyoming						
Albany	12,041	4	.03	16.66	460.00	.04
Big Horn	11,222	28	.25	13.50	9,012.55	.08
Fremont	10,490	24	.23	15.00	1,780.00	.17
Laramie	26,845	(1)			(1)	
Platte	9,695	4	.04	15.50	372.00	.04
Teton	2,003	2	.10	15.00	(1)	(1)
Uinta	6,572	20	.30	12.10	1,054.00	.16
Total (7)	78,868	82	[9] .16	[2] 13.21	12,678.55	[10] .25

[1] No pensions paid in 1930.
[2] Computed on basis of number of pensioners and amount paid in pensions.
[9] Based upon counties reporting number of pensioners.
[10] Based upon counties reporting amount spent in pensions.
[16] Number of county and city welfare districts.
[17] Year ending November, 1930.
[18] 5 months.
[19] Preliminary figures, subject to slight revision.

Table 6 shows for counties for which the bureau has comparable data, the proportion of pensioners and the per capita cost in 1930 and in 1928 when the bureau's previous survey was made.

Of the 45 counties covered by the table, in 33 the proportion of pensioners had increased in 1930 as compared with 1928, in 8 it had decreased, in 2 there was no change, while in 2 counties no persons were aided in 1930.

Per capita costs rose in 29 counties, declined in 11 counties, and showed no change in 2 counties. In most cases the increase in costs was very slight, but in 9 counties the cost more than doubled.

TABLE 6.—*Per cent of pensioners and per capita cost of pensions, 1928 and 1930*

State and county	Per cent pensioners formed of population		Per capita cost		State and county	Per cent pensioners formed of population		Per capita cost	
	1928	1930	1928	1930		1928	1930	1928	1930
Kentucky: Calloway	0.17	0.10	$0.41	$0.06	Montana—Continued.				
Montana:					Musselshell	0.14	0.26	$0.24	$0.36
Beaverhead	.21	.24	.63	.84	Park	.15	.11	.31	.18
Blaine	.04	.10	.08	.20	Petroleum	.15	.34	.32	------
Carbon	.21	.17	.34	.26	Powell	.21	.39	.38	.56
Cascade	.12	.16	.27	.29	Prairie	.08	.15	.17	.26
Custer	.31	(1)	.56	(1)	Ravalli	.30	.53	.60	.68
Daniels	.07	.13	.16	.32	Richland	.02	.03	.05	.03
Dawson	.13	.17	.29	.26	Roosevelt	.01	.03	.03	.08
Fallon	.04	.07	.10	.12	Rosebud	.23	.16	.59	.44
Flathead	.15	.33	.29	.44	Sanders	.35	.42	.73	.75
Gallatin	.14	.15	.24	.23	Silver Bow	.18	.19	.35	.34
Glacier	.06	.17	.17	.27	Stillwater	.03	.16	.10	.26
Golden Valley	.47	.38	.51	.52	Sweet Grass	.15	.13	.27	.21
Granite	.63	.60	.93	.95	Toole	.09	.22	.21	.49
Hill	.05	.17	.10	.25	Treasure	.06	.06	.11	.11
Jefferson	.82	1.21	1.23	1.68	Valley	.18	.16	.54	.42
Judith Basin	.02	.02	.06	.06	Wheatland	.19	.29	.34	.40
Lake	.07	.08	.12	.14	Nevada: Nye	.28	------	.42	------
Lewis and Clark	.48	.53	.86	.88	Wisconsin:				
Liberty	.14	.32	.41	.91	La Crosse	.25	.35	.29	[2] .60
Lincoln	.25	.31	.68	.61	Outagamie	.15	.22	.18	[2] .38
Meagher	.31	.44	.92	.98	Sawyer	.24	.26	.38	[2] .59
Mineral	.43	.92	.77	.96	Wood	.10	.16	.11	[2] .33

[1] System discontinued.
[2] One-third paid by State.

Table 7 shows aggregate figures for those States whose pension laws were in operation as early as 1928. It shows that the number of adopting counties increased by about one-ninth in the 2-year interval, the number of pensioners nearly doubled, and the amount spent in pensions rose about 50 per cent.

TABLE 7.—*Comparative development of old-age pension systems, 1928 and 1930, by States*

State	Number of counties with pension system		Number of pensioners		Amount spent in pensions		Average monthly pension	
	1928	1930	1928	1930	1928	1930	1928	1930
Colorado	1	1	1	------	$120	------	$10.00	------
Kentucky	3	2	[1] 30	18	[2] 8,064	$1,164	20.00	$5.39
Maryland	------	2	------	[1] 12	------	[1] 1,800	------	12.00
Montana	42	44	666	[3] 889	132,575	[4] 149,100	16.59	14.09
Nevada	2	2	[1] 11	[1] 5	[1] 1,680	[1] 900	15.00	25.00
Wisconsin	5	8	295	989	66,185	156,510	19.20	13.19
Total	53	59	[5] 1,003	[6] 1,913	[7] 208,624	[8] 309,474	17.37	13.57

[1] 1 county.
[2] 2 counties.
[3] 43 counties.
[4] 42 counties.
[5] 50 counties.
[6] 55 counties.
[7] 51 counties.
[8] 54 counties.

Text of Laws as of December 31, 1931

Alaska

ACTS OF 1929

CHAPTER 65

ARTICLE I

SECTION 1. *Creation of home.*—The Territory shall maintain an institution for the care of such needy persons as shall be entitled to the benefits thereof under the provisions of this act, which institution shall be known as the "Alaska Pioneers' Home." The institution (now situated at Sitka, Alaska, and any other that may be established) shall be under the care, control, and management of a board of three members to be known as the "Board of Trustees of Alaska Pioneers' Home." The governor shall be chairman and member of said board and the other two members shall be appointed by the governor, one of whom shall be appointed secretary of the board and receive a salary of $75 per month, and the other member appointed by the governor shall be treasurer and shall receive a salary of $50 per month, which salaries shall be paid out of the biennial appropriation for the maintenance of the said home.

SEC. 2. *Powers of trustees.*—The board of trustees shall have possession of all property belonging to and constituting such home and keep it in readiness for occupation, and shall have control of any funds appropriated therefor or which may come into its hands for such purpose. The board may make contracts in its name for the furnishing of the buildings and for the supplies designed for use or consumption therein, but shall spend no money and incur no indebtedness for such purposes beyond the appropriation previously made therefor by the legislature, excepting in so far as it may have additional funds derived from donations or from allotments made from that portion of the Alaska fund which has been set aside by Congress for the relief of indigents in the Territory of Alaska under the control of the district judges. The board shall appoint a superintendent of the home, and such other officers as may be necessary for the proper conduct of the institution, who shall serve during the pleasure of the board. It shall adopt rules and regulations defining the duties of the officers of the home, providing for the government of its inmates, and fixing the terms and conditions of admission thereto, and the cause and manner of expulsion therefrom. The board may require and take in its name and security by way of bond or otherwise from any person appointed or elected by it, for the faithful performance of his duties, and have full accounting for all moneys or property received by him for or on account of the board of trustees or in the performance of such duties.

SEC. 3. *Requirements for admission.*—Every worthy person residing in Alaska, and who shall have been a resident of the Territory continuously for more than five years immediately preceding his application for admission, and who shall be destitute and in need of the aid or benefit of said home in consequence of physical disability or other cause, shall be entitled to admission thereto subject to the conditions, limitations, and penalties prescribed by the rules and regulations of the board. But no person shall be admitted as an inmate to the Alaska Pioneers' Home under the provisions of this act, where the support and maintenance of such person is imposed by law upon any relative or member of the family of such person.

SEC. 4. *Transfer of inmates.*—Any person regularly admitted into the home who is found to be insane may be transferred to the asylum or sanitarium provided for the care and custody of insane persons for the Territory of Alaska and in the same manner as provided by law for the admission of other persons to such asylum or sanitarium.

SEC. 5. *Admission on payment.*—Any citizen of the United States over 65 years of age who shall be a resident of the Territory and shall have been such resident for not less than 10 years continuously immediately preceding his application, but who may not be destitute, may on application be admitted to the home upon his agreement to pay to the Territory such sum per day as the board may deem sufficient to compensate the Territory for the cost of care and support of such person at the home. When such agreement is entered into, the board shall have authority to receive such security for the payments as the board shall deem expedient.

SEC. 6. *Maintenance funds.*—The legislature shall each session appropriate the necessary funds for the maintenance of the home to be expended by the board of trustees, and said board is authorized and empowered to receive funds, donations, and bequests from private individuals, societies, or organizations, and funds derived by the Government of the United States from taxes on business and trade or otherwise and apportioned or allotted to the said home for the support and maintenance of said home or its inmates.

SEC. 7. *Special funds.*—Whenever a bequest or a donation shall be received by the home the same may by the board be set aside as a permanent special fund to be expended or used in the manner expressly indicated or probably desired by testator or donor.

SEC. 8. *Trustees' reports.*—Such board shall on or before March 1 in years in which the legislature meets, make to the legislature a detailed report of all its receipts and expenditures and of all its proceedings for the previous two calendar years, with full estimates for the coming two years, verified by each of the members of such board.

ARTICLE II

SEC. 9. *Requirements for pension.*—Any resident of Alaska who is a citizen of the United States and who has attained the age of 65 years or, if a woman, the age of 60 years, and who shall have resided in Alaska continuously since January 1, 1906, and is entitled to the free benefits of the Alaska Pioneers' Home, may, in lieu of an application to be received and cared for at such home, make an application to the board of trustees of said Alaska Pioneers' Home in the manner prescribed in this act for an allowance to be paid out of money appropriated by the Territorial legislature for this purpose and thereupon said board shall investigate the case of such applicant, and if it finds that his or her case is worthy and that he or she is in actual need of such allowance, the said board shall enroll him or her as a beneficiary under this act and issue a certificate accordingly, which shall not be transferable or descendible, and in conformity therewith an allowance shall be paid for his or her use, as provided in sections 11 and 12 of this act, out of the appropriation for allowances to aged pioneers: *Provided,* That if any person given an allowance under the provisions of this act shall be admitted to the Alaska Pioneers' Home, any allowance granted hereunder shall be suspended during the time such person shall be an inmate of the home, and any inmate of the home, who is eligible to receive an allowance under the provisions of this act, may at any time make application for such allowance in lieu of the support and maintenance provided for him in such home.

SEC. 10. *Application form.*—Said board of trustees shall cause blank forms of applications for such allowance to be prepared and printed and shall distribute them in sufficient quantities to the various commissioners for the several precincts of Alaska. The application shall set forth the facts requisite to bring the applicant within the provisions of this act, and shall state in detail the periods and causes of his or her disability for gaining his or her subsistence, and his or her resources and circumstances and those of his or her relatives (if any) living in Alaska or elsewhere, and that applicant is dependent in part upon an allowance from the Territory for a living and has no other sufficient means of support. Said application shall be signed by the applicant, and witnesses, acknowledged and verified by his or her affidavit to the effect that the statements contained therein are true. Said affidavit shall be sworn to before any notary or other person authorized to administer an oath, and there shall be appended to the application a certificate by such authorized person, and supported by affidavits by two reputable persons resident within such precinct, to the effect that he or they are personally acquainted with the applicant and believe all the statements set forth in such application to be true. Any one who, in any such affidavit knowingly makes a false statement shall be guilty of perjury and shall be prosecuted and punished accordingly.

SEC. 11. *Amount of pension.*—Each allowance granted shall be of such amount, not exceeding $35 per month for men and $45 per month for women, as said trustees in their discretion shall allow and specify in the certificate: *Provided,* That nothing in this act shall affect the allowance of any person now receiving any benefit or allowance from the Territory. The board of trustees may at any time after an allowance has been granted demand of the beneficiary a restatement of his or her disability for gaining subsistence, and his or her resources and circumstances and the resources and circumstances of his or her living relatives. Such statement shall be signed and sworn to by the beneficiary and be in such form as the board may prescribe.

Said trustees shall not establish any uniform allowance, but shall take into consideration the necessities of each individual applicant and the cost of living in the place where he or she resides, and after being granted, the allowance may be discontinued or the amount may be diminished or increased by said board. Each allowance shall be paid quarter yearly, and a warrant of said trustees on the Territorial treasurer for the amount of the quarter payment, payable to the beneficiary or order, shall be forwarded by said board to the commissioner within whose precinct the beneficiary resides, in time to reach such commissioner on or before the beginning of the quarter year for which the same is payable, and shall be by the commissioner delivered on or after the beginning of such quarter year, to the beneficiary upon his or her appearing in person before the commissioner and exhibiting his or her certificate, and such warrant or draft shall be paid in due course by the Territorial treasurer: *Provided,* That in cases where it shall be impracticable by reason of slow or interrupted means of communication or travel, for the quarterly payments to reach the commissioner, or for the beneficiary to appear at the commissioner's office to receive such payment during a period of more than one quarter year, said trustees may in their discretion transmit, with a quarterly payment, another payment for the next following quarter, and said commissioner, if so directed by said trustees, may deliver both payments at the same time: *And further provided,* That in case the beneficiary is not able and can not appear before the commissioner in person, within a reasonable time to receive such allowance, the commissioner may forward the same to such beneficiary. If the funds provided by the legislature shall be exhausted, the Territorial treasurer shall issue warrants to the beneficiary which warrants shall be an obligation of the Territory of Alaska, payable out of the funds of the Territory as soon as made available by an act of the legislature.

SEC. 12. *Payment outside of Territory.*—If any such person, having been granted an allowance, desires to take up his residence temporarily or permanently elsewhere than in the Territory with the permission of the trustees, such allowance shall not cease, but the board of trustees shall prepare such additional regulations as may be necessary to carry out this provision so as to properly safeguard the interest of the Territory.

SEC. 13. *Payment in irresponsible cases.*—Notwithstanding anything contained in section 11 of this act, said trustees, in any case in which, either at or after the time of granting an allowance they shall become satisfied that payments to a beneficiary will be subject to wasteful use or the diversion from his or her means of sustenance, they may cause the money to be paid into the hands of the commissioner for the precinct of the beneficiary's residence, or into the hands of any suitable and trustworthy person, to be paid out for the beneficiary's sustenance and benefit; and such depositary shall account quarterly to said trustees for all funds so intrusted to him, showing when, to whom, for what, and in what sums the same were disbursed.

SEC. 14. *Medical certificate.*—Any inmate of the Pioneers' Home eligible to receive allowance who wishes to apply for benefits under this act shall submit with his application for allowance a certificate from a practicing physician who is not connected with said home setting forth the state of health of the applicant.

ARTICLE III

SEC. 15. *Powers of governor, advisory board.*—The governor is vested with entire and exclusive superintendence of the poor, with authority to appoint an advisory board in each judicial division of the Territory, composed of such individuals as he may designate, the duties of the members of such advisory board to be such as may be prescribed by the governor under regulations to be promulgated by him under the authority hereof.

SEC. 16. *Reimbursement by relatives.*—Every person without means who is unable to earn a livelihood in consequence of immaturity, sickness, or physical infirmity, shall be an indigent within the meaning of this article, must be supported while living and when he dies be given a decent burial, by the father, mother, grandfather, grandmother, children, grandchildren, brothers, or sisters of such indigent person, if they, or either of them be of sufficient ability in the order named; and every such person who fails to support such indigent relative when directed by the governor or some member of the advisory board to do so, or fails to give such indigent a decent burial when he dies, must reimburse the Territory or any municipality thereof for any funds expended by them or either of them for the relief or burial of such indigent, not, however, to exceed the rate of $30 per month for support and $100 for burial, and such sums with interest and costs may be recovered by the Territory or any municipality thereof in civil action: *Provided, however,* That when any person becomes indigent as the result of intemperance or other vice no other relative except parents and children shall be under obligation to support or bury him.

SEC. 17. *Temporary relief.*—Whenever any such indigent as is described in section 16 of this act is not entitled to the benefits of the provisions of Article I or II of this act, and has no relatives in the Territory liable for his support pursuant to section 16 of this act, such indigent may receive temporary relief from the Territory in an amount not to exceed $30 during any calendar month, exclusive of cost of medical attendance in case of sickness.

SEC. 18. *Reimbursement for medical services.*—The governor shall have power to reimburse hospitals and physicians for expenses incurred and services rendered for relief of indigents who have no relatives within the Territory liable for his support. No charge for expense incurred under the provisions of this section shall be in excess of the expenses actually and necessarily incurred, and the following schedule of fees shall be the maximum paid by the Territory:

Medical attendance $1 per visit.
Minor operations $5.
Digital amputation $10.
Major operations $50.

SEC. 19. *Proper burials.*—The governor shall have authority to provide decent burial for indigents who have no known relatives within the Territory liable for such expense.

ARTICLE IV

SEC. 20. *Appropriation expenditures.*—The legislature may from time to time appropriate money for the relief of the sick, unfortunate and needy in the Territory of Alaska to be expended under the direction of the United States district judges for the several divisions of the Territory. The money so appropriated shall be expended for the aid and relief of the sick or unfortunate in the Territory of Alaska who are in dire need of assistance.

SEC. 21. *Same, manner of allocation.*—The governor shall allot the money appropriated under section 20 of this act to the United States district judges of the several divisions, according to their needs, but only one-half of the money appropriated shall be so allotted for each year of the biennium. The money so allotted shall be expended under the direction of said district judge for the aid and relief of persons in dire need in the Territory of Alaska, and may be used for the purchase of food, clothing, or other necessary supplies, for hospital services, medical attention, transportation, or in such other way as the district judge may direct. The money shall be expended upon vouchers, signed by the person benefited and approved in writing by the district judge under whose direction such expenditures are made, and paid by warrants drawn on the treasurer. The form of the vouchers and manner of payment shall be prescribed by the governor and the treasurer of the Territory.

ARTICLE V

SEC. 22 (as amended by Acts of 1931, ch. 118). *Rights against beneficiary.*—Any money paid to or any expense incurred for any person pursuant to the provisions of Articles I, II, III, or IV of this act shall with interest thereon at rate of 8 per cent per annum from date of payment be an indebtedness owing the Territory by the beneficiary and such indebtedness may be recovered during the life of the beneficiary and shall be a first, prior and preferred claim against the estate of such beneficiary after his death, and after all just claims for food, clothing, fuel, shelter, medical aid, or burial expenses have been paid.

That any moneys left in charge of the board of trustees by any deceased inmate of the Pioneers' Home may be used for the burial and funeral expenses of such deceased inmate and for the improvement of the burial plot of the Alaska Pioneers' Home.

Any clothing or any other personal effects left by any deceased inmate of the home may be used by the board for the benefit of other inmates, or may be given to relatives or sold and the proceeds applied in the same manner as above provided for moneys left.

SEC. 23. *Claims against estate in Territory.*—Whenever a beneficiary under this act shall die leaving an estate in the Territory, the governor, or the board of trustees of the Pioneers' Home, shall file with the executor or administrator, or with the probate court where such administration is had, the claim of the Territory against such estate, and the attorney general shall take such steps as may be necessary to enforce and collect the same. All moneys so collected shall be paid into the treasury of the Territory.

SEC. 24. *Same, outside of Territory.*—Whenever a beneficiary under the provisions of this act shall die leaving property outside the Territory it shall be the duty of the attorney general on direction of the governor or the board of trustees of the Pioneers' Home to take such steps with respect to the same as will protect and secure the rights of the Territory as a creditor.

SEC. 25. *Certificate prima facie evidence.*—A certificate by the governor to the effect that a decedent was a beneficiary under this act and that by reason of that fact the Territory has a claim against his estate, shall be prima facie evidence of such facts in any proceedings in the courts of the Territory.

ARTICLE VI

(Provides for mothers' pensions.)

ARTICLE VII

SEC. 28. *Act not applicable.*—This act shall not inure to the benefit of any Indian or Eskimo resident of the Territory who is provided for by the Department of the Interior out of the funds of the Treasury of the United States or to any ward of the Government of the United States.

SEC. 29. *Definition of residence.*—No one who has been absent from the Territory 12 consecutive months or more shall be considered to have been a resident of the Territory during such absence, and one who has left the Territory without any definite intention of returning within a year shall be deemed to have ceased to be a resident from the date of his departure.

(Approved and effective April 30, 1929.)

California

ACTS OF 1929

CHAPTER 530

SECTION. 1. *Persons entitled to aid.*—Subject to the provisions of this act, every person residing in the State of California, if in need, shall be entitled to aid in old age from the State.

SEC. 2. *Conditions.*—Aid may be granted under this act to any person who—

(*a*) Has attained the age of 70 years.

(*b*) Has been a citizen of the United States for at least 15 years before making application for aid.

(*c*) Resides in the State of California and has so resided continuously for at least 15 years immediately preceding the date of application, but continuous residence in the State shall not be deemed to have been interrupted by period of absence therefrom if the total of such periods does not exceed 3 years; or has so resided 40 years at least 5 of which have immediately preceded this application.

(*d*) Resides in the county or city and county in which the application is made and has so resided continuously for at least one year immediately preceding the date of application.

(*e*) Is not at the date of making application for aid an inmate of any prison, jail, infirmary, insane asylum or any reform or correctional institution.

(*f*) If married, has not during the 15 years preceding the date of application deserted the other spouse or without just cause failed to provide legal support for such other spouse and the minor children, if any, of such applicant.

(*g*) Has no children or other person able to support him and responsible under the law of this State for his support.

SEC. 3. *Amount.*—The amount of aid to which any such person shall be entitled shall be fixed with due regard to the conditions existing in each case, but in no case shall it be an amount which, when added to the income of the applicant from all other sources, including income from property as computed under the terms of this act, shall exceed a total of $1 per day.

SEC. 4. *Persons not entitled to aid.*—Aid under this act shall not be granted or paid to any person the value of whose property, or, if married, the value of the combined property of husband and wife, at the time of such application exceeds $3,000.

SEC. 5. *Other sources of income.*—The income of the applicant at the time of such application shall be computed on the basis of an average income during the 12 months next preceding the date of such application; the annual income of any property of applicant which does not produce a reasonable income shall be computed at 5 per cent of the value of such property.

SEC. 6. *Agency created.*—(*a*) There is hereby created in the State department of social welfare a division to be known as the division of State aid to the aged. The duties of this division shall be to supervise and pass upon the measures taken by county or city and county boards of supervisors for the care of needy aged citizens, to the end that they may receive suitable care in their old age and that there may be, throughout the State, a uniform standard of record and method of treatment of aged persons based upon their individual needs and circumstances.

The State department, through the division of State aid to the aged, and the board of supervisors of each and every county and city and county in the State shall follow the policy of giving the aid provided for under this act to each and every applicant in his own or in some other suitable home, in preference to placing him in an institution.

(*b*) The board of supervisors of each and every county and city and county in the State, in addition to their other powers and duties in relation to the care and support of the poor, as provided by law, are hereby authorized and empowered, and it shall be their duty, to receive and act upon applications for aid under and in accordance with this act, and to provide funds in their respective county or city and county treasury, and to do all other acts and things necessary in connection with the same, for the purpose of carrying out the provisions of this act in so far as such provisions relate to such county or city and county.

SEC. 7. *Organization of same.*—The division of State aid to the needy aged shall be administered by a chief. The director of social welfare, with the approval of the governor and the members of the social welfare board of the State department of social welfare, shall appoint and fix the compensation of the chief of the division of State aid to the aged, who shall be a person with training and experience in relief work and familiar with the social and economic conditions in California. The chief of the division shall be responsible for the investigation, determination, and supervision of State aid given under this act and for the performance of such other duties as may be assigned to the division by the director of social welfare.

SEC. 8. *Advisory boards.*—The chief of the division, with the approval of the director of social welfare, may appoint in each county and city and county an advisory board of citizens whose duty it shall be to cooperate with the proper State and county authorities in the investigation and supervision of aid given to the aged under this act and to make report upon the same with recommendations to the board of supervisors and to the department of social welfare. In counties or in any city and county where there is an existing county or city and county department of public welfare or board with similar functions in public relief, this body shall be appointed as the advisory board.

SEC. 9. *Property transfer.*—If the board of supervisors shall deem it necessary, it may, with the consent of the State department, require as a condition to the grant or continuance of aid in any case, that all or any part of the property of a person applying for aid be transferred to said board of supervisors. Such property shall be managed by said board of supervisors which shall pay the net income thereof to such person; said board of supervisors shall have power to sell, lease, or transfer such property or defend and prosecute all suits concerning it and to pay all just claims against it and to do all things necessary for the protection, preservation, and management thereof. If, in the event such aid is discontinued during the lifetime of such person, the property thus transferred to the board of supervisors exceeds the total amount paid as aid under this act, the remainder of such property shall be returned to such person; and in the event of his death such remainder shall be considered as the property of the deceased for proper administration proceedings. The board shall execute and deliver all instruments necessary to give effect to this section.

SEC. 10. *Subsequent increase of income.*—(*a*) If, at any time during the continuance of aid, the recipient thereof or the husband or wife of the recipient, becomes possessed of any property or income in excess of the amount allowed by law in respect to the amount of aid granted, it shall be the duty of the recipient immediately to notify the board of supervisors of the receipt and possession of such property or income and the board may, on inquiry and with the approval of the State department, either cancel the aid or vary the amount thereof in accordance with circumstances, and any excess aid theretofore paid shall be returned to the State of California and be recoverable as a debt due the State of California.

(*b*) If, on the death of recipient of aid under this act, it is found that he was possessed of property or income in excess of the amount allowed by law in respect to the amount of aid, double the amount of the aid paid in excess of that to which the recipient was legally entitled may be recovered by the department of social welfare as a preferred claim from his estate and upon recovery shall be paid into the treasury of the State of California.

SEC. 11. *Relief inalienable.*—All aid given under this act shall be absolutely inalienable by any assignment, sale, attachment, execution, or otherwise and in case of bankruptcy the aid shall not pass through any trustee or other person acting on behalf of creditors.

SEC. 12. *Effect of subsequent legislation.*—Any and all aid granted under the provisions of this act shall be deemed to be granted and held subject to the provisions of any law that may hereafter be enacted amending or repealing in whole or in part the provisions of this act, and no recipient under this act shall have any claim for compensation or otherwise by reason of his aid being affected in any way by any such amending or repealing act.

SEC. 13. *Applications.*—Every applicant for aid shall file his application in writing with the board of supervisors of the county or city and county in which he resides, in the manner and form prescribed by the State department. All statements in the application shall be verified under oath, by the applicant.

SEC. 14. *Investigations, etc.*—The board of supervisors, directly or through the advisory board or other authorized investigator, shall upon the receipt of an application for aid promptly make the necessary investigation. It shall, upon receipt of the report of the investigation, decide upon the amount of aid, if any, and such decision shall be final; *Provided, however*, That in any case where such application is denied by the board of supervisors, the applicant, upon filing a petition with the department of social welfare, setting forth the facts in full as to the necessity of such aid, verified by five reputable citizens of the county, shall have the right of appeal direct to said department of social welfare, and if the appeal is sustained by said department the payments of aid in the amounts determined by said department must be paid by the county or city and county as herein provided. An applicant whose application for aid under this act has been rejected may not again apply for such aid until the expiration of one year from the date of the previous application. If the application for aid be granted, the clerk of the board of supervisors shall report the fact to the auditor of the county or city and county. All payments of aid under this act shall be made monthly by the treasurer of the county or city and county in the manner provided by law for payment of claims against the county or city and county. All aid under this act shall be renewed annually on verified applications and after such further investigations as the board may deem necessary, and the amount of aid may be changed if the board finds that the recipient's circumstances have been changed. It shall be within the power of the board of supervisors to cancel and revoke aid for cause and it may for cause suspend payments for aid for such periods as it may deem proper.

SEC. 15. *Reports.*—The clerk of the board of supervisors of each county and city and county shall report monthly to the said State department in such manner and form as the latter may prescribe, the number of applications granted, and the grants of aid changed, revoked or suspended under this act by the board during the preceding calendar month, together with copies of all applications received and a statement of the action of the board thereon, and shall report the amount of aid to aged paid out under this act by said county or city and county during said period. Claims for State aid granted under this act shall be presented by the respective counties and city and county semiannually in January and July of each year. Such claims shall be audited by the State department of social welfare and the State comptroller and, when aproved, the State comptroller shall draw the necessary warrants and the State treasurer shall pay to the treasurer of said county or city and county a sum equal to one-half of the total amount of payments made by said county or city and county to aged citizens as aid under the provisions of this act during the period for which said claim is made.

SEC. 16. *Powers of State agency.*—The State department of social welfare shall have power to and shall prescribe the form of application, the manner and form of all reports and such additional rules and regulations as are necessary for the carrying out of the provisions of this act.

SEC. 17. *Payment of expenses.*—All necessary expense incurred by county or city and county boards of supervisors and advisory boards, in carrying out the provisions of this act, shall be paid by the county or city and county in the same manner as other expenses of such county or city and county are paid.

SEC. 18. *Improperly granted relief.*—If at any time the State department has reason to believe that aid to the aged has been obtained improperly, it shall cause special inquiry to be made and may suspend payment of any installment pending the inquiry. It shall notify the board of supervisors and advisory board of such suspension. If it appears upon inquiry that the aid was obtained improperly, it shall be canceled by the State department, but if it appears that aid was obtained properly, the supended payments shall be payable.

SEC. 19. *Fraudulent acts.*—Any person who by means of a false statement or representation or by impersonation or other fraudulent device obtains or attempts to obtain or aids or abets any person to obtain under this act:

(*a*) Old-age aid to which he is not entitled.

(*b*) A larger amount of aid than that to which he is justly entitled.

(*c*) Payment of any forfeited installment grant.

(*d*) Or knowingly aids or abets in buying or in any way disposing of the property of an applicant without the consent of the board of supervisors, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than $500 or by imprisonment for not more than six months or both such fine and imprisonment.

SEC. 20. *Violations.*—Any person who knowingly violates any provision of this act for which no penalty is specifically provided shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than $500 or imprisonment for not more than six months or by both such fine and imprisonment.

SEC. 21. *Appropriation by county.*—There is hereby appropriated out of any moneys in the State treasury not otherwise appropriated to each and every county and city and county maintaining or supporting aged persons who come within the provisions of this act, aid not in excess of $180 per annum for each such aged person maintained or supported by such county or city and county. Payments of such aid shall be made in the manner provided in section 15 of this act.

SEC. 22. *Appropriation by State.*—There is hereby appropriated out of any moneys in the State treasury not otherwise appropriated the sum of $20,000 for the expenses of the State department of social welfare in the administration of this act during the eighty-first and eighty-second fiscal years.

SEC. 23. *Construction of act.*—Nothing in this act shall be construed as repealing any other act or part of an act providing for the support of the poor except in so far as inconsistent therewith, and the provisions of this act shall be construed as an additional method of supporting and providing for the aged poor. This act shall be liberally construed. If any portion of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid or unconstitutional such judgment shall not affect, impair, or invalidate the remainder of this act.

SEC. 24. *Effective date.*—No aid granted under the provisions of this act shall be available or made payable before January 1, 1930.

(Approved May 28, 1929.)

Colorado

ACTS OF 1927

CHAPTER 143

SECTION 1 (as amended by Acts of 1931, ch. 131). *Establishment of system.*—The board of county commissioners in each county or city and county of this State shall establish a system of old-age pensions in accordance with the provisions of this act.

SEC. 2 (as amended by Acts of 1931, ch. 131). *Persons entitled to aid, etc.*—Any person qualified as herein provided, while residing in a county or city and county in this State, who shall comply with the provisions of this act, shall be entitled to an old-age pension as herein defined. The amount of such pension shall be fixed with due regard to the conditions in each case, but in no case shall it be an amount which, when added to the income of the applicant, including income from property, as computed under the terms of this act, shall exceed a total of $1 per day.

SEC. 3 (as amended by Acts of 1931, ch. 131). *Conditions.*—An old-age pension or assistance may be granted only to an applicant who—

A. Has attained the age of 65 years or upwards.

B. Has been a citizen of the United States for at least 15 years before making application for such pension.

C. Has resided in the State and county or city and county in which he makes application, continuously for at least 15 years immediately preceding the date of such application: *Provided, further,* That continuous residence in the State and county shall not be deemed to have been interrupted by occasional periods of absence therefrom, if the total of such periods of absence does not exceed three years: *Provided, further,* That absence in the service of the State of Colorado, or of the United States, shall not be deemed to interrupt residence in the State or county, if a domicile be not acquired outside the State or county.

D. Is not, at the date of making application, as [an] inmate of any prison, jail, workhouse, infirmary, insane asylum, or any other public correctional institution.

E. During the period of 10 years immediately preceding such date, has not been imprisoned for a felony.

F. If a husband, has not deserted his wife or children, and has not, without just cause, failed to support his wife and his children under the age of 15 years, for 6 months or more during the 15 years immediately preceding the date of application for a pension.

G. If a wife, has not deserted her husband, or such of her children as are under 15 years of age.

H. Has not, within one year preceding such application for pension, been an habitual vagrant or beggar.

I. Has no child or other person responsible, under the laws of this State, for his support and able to support him.

SEC. 4. *Persons not entitled to aid.*—No old-age pension shall be granted or paid to a person—

A. While or during the time he is an inmate of and receives the necessities of life from any charitable institution maintained by the State, or any political subdivision of the State, or of a private charitable, benevolent, or fraternal institution, or home for the aged.

B. If the value of his property, or the value of the combined property of husband and wife living together, exceeds $3,000.

C. Who has deprived himself directly or indirectly of any property for the purpose of qualifying for old-age pension.

SEC. 5. *Computation of income.*—The annual income of any property belonging to an applicant which is not so utilized as to produce a reasonable income, shall be computed at 5 per cent of its actual value.

SEC. 6. *Amount deductible from estate.*—On the death of a person pensioned pursuant to the terms and provisions of this act, or of the survivor of a married couple, both of whom were so pensioned, the total amount paid as pension, together with the simple interest thereon at 3 per cent annually shall be allowed and deducted from the estate of such person or persons by the county having jurisdiction to settle said estate. The amount so recovered should be paid into the treasury of the county or the city and county contributing to the pension received by the deceased or to the married couple of which the deceased was a survivor.

SEC. 7. *Property transfer.*—If the county judge deems it necessary, he may require as a condition to the grant of a pension certificate, that all or any part of the property of an applicant for a pension be transferred to the board of county commissioners of the county where such applicant resides. Such property shall be managed and controlled by said board of county commissioners and they shall pay the net income to the person or persons entitled thereto. The board shall have power to sell, release, or transfer such property, or to defend and prosecute all suits concerning it, and to pay all just claims agains it, and to do all things necessary for the protection, preservation and management of the property.

If, in the event that the pension is discontinued during the lifetime of the pensioner, the property thus transferred to the board of county commissioners exceeds the total amount paid as pension, with simple interest at 3 per cent annually, the remainder of such property shall be returned to the pensioner, and in the event of his death, such remainder shall be considered as the property of the pensioner, to be disposed of in accordance with the laws of descent and distribution in this State. The board of county commissioners shall execute and deliver all necessary instruments to give effect to the provisions of this section of this act.

The county attorney, at the request of the board of county commissioners, shall take the necessary proceedings and represent and advise the board in respect to any matters arising under this act.

SEC. 8. *Application.*—An applicant for a pension shall file his application in writing, with the county judge of the county in which he resides, in such manner and form as shall be prescribed by the board of county commissioners. All statements in the application shall be sworn to or affirmed by the applicant as being true in every material point. No docket fee shall be required for such filing.

SEC. 9. *Investigations.*—Immediately upon the filing of said petition or application, the county judge shall promptly make, or cause to be made, such investigation as he may deem necessary in order to determine the qualifications of the applicant and the merit of said application. The county judge shall decide upon the application and fix the amount of the pension with the approval of the board of county commissioners, if any, within 30 days after the filing of said petition or application, and the decision of such court and board shall be final. An applicant whose application for a pension has been rejected may not again apply for a pension until the expiration of 12 months from the date of the rejection of his previous application.

SEC. 10. *Certificate.*—The county judge shall issue to each applicant to whom a pension is allowed a certificate stating the date upon which pension payments shall commence and the amounts of each installment, which may be paid monthly or quarterly as such judge may determine.

Each pensioner under the provisions of this act shall file such reports with the county judge as the board of county commissioners may, from time to time, require. If it appears, at any time, that the applicant's circumstances have changed, the county judge may revoke or modify any pension certificate issued. Any pension paid in excess of the amount due under the provisions of this act shall be returned to the county and may be recoverable as a debt due the county.

SEC. 11. *Burial expenses.*—On the death of a pensioner, such reasonable funeral expenses for burial shall be paid out of the pension funds as the county judge may direct: *Provided*, That such funeral expenses shall not exceed $100 in any case: *And provided further*, That the estate of the deceased is insufficient to defray such expenses.

SEC. 12. *Other sources of income.*—During the continuance of the pension no pensioner shall receive any other relief from the State or from any political subdivision thereof, or from the United States except for medical and surgical assistance.

If the pensioner is, on the testimony of at least three reputable witnesses, found incapable of taking care of himself or his money or property the county judge may direct the payment of the installments of the pension to any responsible person or corporation for the benefit of the applicant, or may suspend payments for such period as the judge shall deem advisable.

SEC. 13. *Relief inalienable.*—All pensions shall be exempt from any tax levied by the State, or by any subdivision thereof, and shall be exempt from levy and sale, garnishment and attachment, or any other process whatsoever and shall be inalienable in any form.

SEC. 14. *Improperly granted relief.*—If at any time the county judge has reason to believe that a pension certificate has been improperly obtained he shall cause special inquiry to be made and may suspend payment of any installment pending the inquiry. If, on inquiry, and after 10 days' notice to the pensioner, it appears that the certificate was properly obtained, the suspended installment shall be payable in due course.

SEC. 15. *Fraudulent acts.*—Any person who by means of a willfully false statement or representation, or by impersonation or other fraudulent means or device obtains, or attempts to obtain, or aids or abets any person to obtain—

A. A pension certificate to which he is not entitled;

B. A larger pension than that to which he is justly entitled;

C. Payments of any suspended or forfeited installment;

D. Or aids or abets in buying or in any way disposing of the property of a pensioner without the consent of the county judge in whose county said petition is filed or to be filed

shall be guilty of a misdemeanor and upon conviction thereof, shall be fined in a sum not exceeding $500 or be imprisoned in the county jail for not more than one year, or be punished by both such fine and imprisonment in the discretion of the court.

SEC. 16. *Violations.*—Any person who violates any provision of this act for which no penalty is specifically provided, shall be deemed guilty of a misdemeanor and shall be subject to a fine not exceeding $500 or to imprisonment not exceeding one year, or, in the discretion of the court, such person may be punished by both fine and imprisonment.

Where a pensioner is convicted of an offense under this act, the county judge shall cancel the certificate.

SEC. 17. *Pensions withheld.*—If a pensioner is convicted of any misdemeanor, felony, or other offense punishable by imprisonment for one month or longer, payments of pension shall not be made during the period of imprisonment.

SEC. 18 (as amended by Acts of 1931, ch. 131). *Appropriation.*—The Board of county commissioners of each county or city and county shall annually appropriate a sum of money sufficient to carry out the provisions of this act, so far as the same relates to such county. Upon the orders of the judge of the county court, the county treasurer shall pay out the amounts ordered to be paid as pensions pursuant to the terms of this act.

SEC. 19. *Reports.*—Not later than 30 days after the close of each calendar year the board of county commissioners of each county shall make a report for the preceding year to the secretary of state, showing—

A. The amount paid by such county for pensions.

B. The total number of applications for pensions made during the preceding calendar year.

C. The number of pensions granted, number denied and the number canceled during such year, together with such other information as may be required by the secretary of state.

SEC. 20. *Rules, etc., by county.*—The board of county commissioners shall, from time to time, prescribe and promulgate rules and regulations to efficiently carry out the provisions of this act, and shall publish such information as it may deem advisable to acquaint aged persons and the public generally with the old-age pension plan herein provided.

SEC. 21. *Safety clause.*—The General Assembly hereby declares that this act is necessary for the immediate preservation of the public peace, health and safety.

SEC. 22. *Effective date.*—In the opinion of the General Assembly an emergency exists; therefore, this act shall take effect and be in force from and after its passage.

(Approved March 19, 1927.)

Delaware

ACTS OF 1931

CHAPTER 85

SECTION 1. *Commission created.*—There is hereby created the State old-age welfare commission, consisting of 4 members—1 from the city of Wilmington, 1 from rural New Castle County, 1 from Kent County, and 1 from Sussex County.

SEC. 2. *Appointment of.*—The first members of said commission shall be appointed by the governor, within 30 days after the approval of this act; 1 for one year, 1 for two years, 1 for three years, and 1 for four years. Vacancies occurring in said commission, from any cause, shall be filled by the chief justice. Appointments by the chief justice shall be only for the unexpired term of a member of the commission holding office under an original appointment; but in every case where a vacancy shall occur, by reason of the expiration of the full term of a member of the commission the appointment by the chief justice shall be for the full term of four years: *Provided,* That if a majority of the commission shall request the removal of a member of the commission, the chief justice may, upon a full presentation of the facts, remove such member from the commission and fill the vacancy thus created.

SEC. 3. *Expenses of.*—The members of said commission shall be duly sworn or affirmed, according to law, to faithfully perform the duties of their office. They shall serve without salary, but shall be entitled to receive a fee of $5 for attending each meeting of the commission and, in addition, a reasonable allowance for actual expenses incurred in the performance of their duties.

SEC. 4. *Duties of.*—It shall be the duty of the said commission, and it is hereby authorized and empowered, to grant assistance to old-age persons, under the limitations and restrictions and in the manner hereinafter provided; and for this purpose, and generally for the exercise of its powers and the performance of its duties, the said commission shall adopt such rules and regulations as may be deemed advisable or necessary.

SEC. 5. *Appointment of subordinate officers.*—The said commission shall have power to appoint subordinate officers, who shall hold office during the pleasure of the commission. The commission shall define the duties of such subordinate officers and fix their salaries, which salaries shall not exceed in any one case $3,600 annually.

SEC. 6. *Application of act.*—An old-age person, within the meaning and for the purposes of this act, and under its limitations and restrictions, is hereby defined to be a person, man or woman, 65 years of age or over, who has been a resident of the United States for 15 years and who has resided in the State of Delaware for not less than 5 years (temporary absence from the State not being considered); who has no child or any other person capable and responsible for the support of such old-age person, without undue sacrifice on the part of such child or other person, or his or her wife or husband, or his or her children; who has not deprived himself or herself, directly or indirectly, of any property or income, for the purpose of obtaining assistance from the State, and who by assistance from the State can enjoy the essentials of life, of which he or she would be otherwise deprived.

SEC. 7. *Investigation by commission.*—The amount of assistance allowed in each case of an old-age person shall be limited by the circumstances of such case as ascertained, after full and complete investigation, by the said commission. The amount of assistance allowed in each case shall be determined by the commission with due regard to the circumstances, but in no case shall it be an amount which, when added to the income of the old-age person, including income from property or other sources, as ascertained by the commission, will be equal to or exceed $300 annually. In no case shall the amount of assistance allowed exceed $25 monthly.

SEC. 8. *Application form.*—An old-age person desiring assistance from the State shall make application in writing, under oath or affirmation, to the commission in such form as the commission may prescribe, setting forth that the statements in such application are just and true; and upon receiving such application the commission shall cause an investigation to be made to verify the statements in said application and to ascertain all the circumstances surrounding the applicant. In each case the commission shall include in its investigation careful inquiry as to every possible source of income of the applicant.

In ascertaining the applicant's income and determining the amount of assistance to be allowed, the applicant's income for the last year preceding the application shall be deemed the annual income and the property owned at the end of that year as the accumulated property of the applicant: *Provided*, That, if the applicant should show to the satisfaction of the commission a decrease of income the amount of such decrease shall be deducted from the income of the preceding year in determining the amount of assistance to be allowed. For the purpose of such investigation the commission shall have power to compel, by subpoena issued under its authority, the attendance and testimony of witnesses and the production of books and papers. All witnesses shall be examined under oath or affirmation, which may be administered by any member of the commission.

SEC. 9. *Issuance of certificate.*—Upon the determination by the commission that the application of an old-age person should be granted, it shall cause a certificate to be issued to such person, in form prescribed by the commission, stating the amount of assistance allowed, to be paid monthly, which said certificate shall be good for one year from the date thereof, unless sooner revoked for cause, and shall be renewable by the commission annually upon ascertaining that the old-age person is entitled to such renewal. The commission shall report to the State treasurer the granting of the application and the issuance of the certificate, and the renewals thereof, and the State treasurer shall pay to the person named therein the amount set forth in said certificate. If, however, the old-age person to whom assistance has been allowed shall be found incapable of taking care of his or her money, or himself or herself, on the testimony of at least three credible witnesses, not members of his or her immediate family, the commission may direct the payment of the amount set forth in said certificate to be made to a person of good reputation who will expend the same for the benefit of such old-age person.

SEC. 10. *Burial expenses.*—Upon the death of an old-age person, to whom a certificate allowing assistance has been issued, further allowance for reasonable funeral expenses, not exceeding $100, may be made by the commission, if warranted by the circumstances of the case, and the amount so allowed shall be paid by the State treasurer, together with such unpaid installments as may be due under said certificate, to the legal representative of the deceased.

SEC. 11. *No other aid allowable.*—During the continuance in full of a certificate allowing assistance to an old-age person, such person shall not receive any other assistance from the State, or from any political subdivision thereof, except for medical or surgical treatment, and then only in extreme emergency.

SEC. 12. *Possession of property.*—If at any time during the continuance of a certificate allowing assistance to an old-age person, the said old-age person, or the husband or wife of such person, shall become possessed of any property, or income, in excess of the amount of which he or she was possessed at the time of making application for assistance, the commission may either cancel the certificate or vary the amount thereof during the period of such certificate; and it shall be the duty of such old-age person immediately to notify the commission of the receipt and possession of any such property or income.

SEC. 13. *Improperly obtained certificate.*—If at any time the commission shall have reason to believe that the certificate issued to an old-age person has been improperly obtained, it shall cause special inquiry to be made, and, if necessary, may suspend payments under said certificate; and if it should appear that the certificate was improperly obtained, the same shall be canceled.

SEC. 14. *Forfeiture of certificate.*—In case of forfeiture of a certificate allowing assistance to an old-age person, the person whose certificate is so forfeited shall be disqualified from making application for another allowance until the expiration of one year from the date of the forfeiture.

SEC. 15. *Cancellation of certificate.*—When an old-age person to whom assistance has been allowed under this act, shall become an inmate of any charitable or benevolent institution, the amount of assistance shall cease and determine and the certificate issued to such person shall be canceled.

SEC. 16. *Assistance not allowed.*—No assistance shall be allowed to an old-age person who is an inmate of any prison, jail, workhouse, infirmary, insane asylum, almshouse, or any public reform or correctional institution, or who, during a period of one year prior to making application for assistance, shall have been a professional tramp or beggar.

SEC. 17. *Conviction of crime.*—If any old-age person, to whom assistance has been allowed under this act, shall be convicted of any crime, misdemeanor or felony, or other offense, punishable by imprisonment for one month or any longer period, the commission shall direct that payments be not made during such period.

SEC. 18. *Allowance subject to amended act.*—Every allowance to an old-age person of assistance under the provisions of this act shall be deemed to have been allowed under and shall be held subject to the provisions of any amending or repealing act that may hereafter be passed, and no old-age person receiving assistance under this act shall have any claim for compensation by reason of the allowance for assistance being affected in any way by any such amending or repealing act.

SEC. 19. *Certificate not subject to assignment.*—All certificates allowing assistance to old-age persons shall be absolutely inalienable by any assignment, sale, charge, execution or otherwise, and in case of bankruptcy the assistance allowed shall not be payable to any attorney, assignee, receiver or trustee acting on behalf of the creditors of such old-age person.

SEC. 20. *Exempted property.*—The property of old-age persons to whom assistance has been allowed shall be wholly exempted from taxation and assessment for public purposes by the State, or any political subdivision thereof, whether county, hundred, city, or town, but such exemption shall be terminated upon the discontinuance of the assistance allowed such old-age person.

SEC. 21. *Violations.*—Any person who by willful false statements, or misrepresentation, or other fraudulent device, obtains or attempts to obtain, or aids or abets any other person to obtain a certificate allowing assistance to an old-age person, to which he or she shall not be legally entitled, or a larger amount then [than] he or she shall be legally entitled to receive, or the payment of a forfeited or forbidden installment under a certificate, or aids or abets in the buying or in any way disposing of the property of an old-age person without the knowledge or consent of the commission shall be guilty of a misdemeanor and upon conviction thereof shall be sentenced to pay a fine not exceeding $500 or to undergo imprisonment not exceeding three years, or both in the discretion of the court.

SEC. 22. *Expenses paid by State treasurer.*—All expenses incurred by the commission and all salaries fixed by the commission shall be paid from the appropriation named in section 24 of this act as appropriated, by the State treasurer, upon vouchers duly verified and presented by the commission.

SEC. 23. *Reports.*—The commissioner shall report annually to the governor, within 90 days after the close of each calendar year, all expenditures made by it, or under its authority, and such other information regarding its procedure as will fully and clearly set forth all the particulars of such procedure, including the number of old-age persons to whom certificates allowing assistance have been granted, classified as to men and women according to their color, the number of certificates canceled and the number of applications denied.

SEC. 24. *Appropriation.*—The sum of $200,000 annually is hereby appropriated for the period of two years beginning July 1, 1931, out of the general funds in the State treasury for the purposes of this act.

(Approved January 29, 1931.)

Idaho

ACTS OF 1931

CHAPTER 16

SECTION 1. *Commission created.*—There is hereby established in each county of the State of Idaho, a county old-age pension commission, hereinafter designated as the commission, consisting of the probate judge and the board of county commissioners of the respective counties of this State, who shall serve as such without any additional compensation.

SEC. 2. *Duties of.*—The commission shall perform all the duties imposed upon it by this act, relative to ascertaining the facts and determining who shall be entitled to the benefits thereof, under such rules, forms and regulations for applications, reports, affidavits and such other forms as the department of public welfare, of the State of Idaho, shall promulgate, prescribe, and determine to the end that this act shall be uniformly interpreted, operated and carried into effect throughout the several counties within the State.

SEC. 3. *Coverage of act.*—Every person (man or woman, married or single) shall in the discretion of the commission, while residing in the State of Idaho, be entitled to a pension in old age, subject to the restrictions and qualifications hereinafter noted.

SEC. 4. *Amount.*—The amount of said pension shall be fixed by the commission, with due regard to the conditions in each case; but in no event shall it exceed $25 per month.

SEC. 5. *Application of act.*—An old-age pension may be granted only to an applicant who—

(*a*) Has attained the age of 65 years or upwards.

(*b*) Has been a citizen of the United States for at least 15 years before making application for a pension.

(*c*) Resides in the State of Idaho, and has so resided continuously for not less than 10 years immediately preceding the date of application, and in the county in which the application is filed three years next preceding the date of the filing thereof, and who has during such period pursued some useful occupation or profession to the extent of his or her ability: *Provided*, That continuous residence in the State of Idaho shall not be deemed to have been interrupted by occasional absence therefrom where the total period of such absence does not exceed one year; or by absence from the State while in the employ or service of the State or United States: *And provided further*, That person having a proper county residence as hereinbefore provided, who has resided in the State of Idaho 15 years, at least 5 of which have been immediately preceding the date of application, and is not at the date of making such application an inmate of any prison, jail, insane asylum, or any other public reform or correctional institution, shall be deemed qualified in respect to residence.

(*d*) That during the period of 10 years immediately preceding such date he has not been imprisoned for any offense punishable by imprisonment in the State penitentiary.

(*e*) That the claimant, if a husband, has not during the period of 10 years immediately preceding such date of application for a pension, for a period of 6 months or upwards, deserted his wife or without just cause failed to provide for her with adequate means of maintenance, or neglected to maintain and provide for such of his children as were under the age of 15 years, or, if a wife, deserted her husband or such of her children as were under age.

(*f*) That he has not been within one year preceding such application a professional tramp or beggar.

SEC. 6. *Property limitations.*—(*a*) The income of the applicant from all sources at the date of application shall not exceed the sum of $300 per annum, and any pension granted hereunder, together with the applicant's income shall not annually exceed said sum.

(*b*) The applicant must not have deprived himself or herself, directly or indirectly, of any property for the purpose of qualifying for a pension.

(*c*) The aged person must have no child or any other person responsible for his or her support under the laws of this State, able to support the applicant.

(*d*) At the death of the person to whom the pension is granted or of the last survivor of a married couple, so pensioned, the total amount of such pension since the first allowance thereof, together with 5 per cent of interest per annum from date of allowance shall be presented as a claim in said estate by the prosecuting attorney of the county wherein said pension was granted and shall be deducted and allowed by the proper courts out of the proceeds of his or her property, including the homestead and other exempt property, as a preferred claim against the estate of the person so pensioned, and refunded to the county treasury to the credit of the poor fund or the county current expense fund, as the case may be, leaving the balance for the payment of debts and distribution among the lawful heirs in accordance with law: *Provided*, That the commission may demand the assignment or transfer of such property upon the first grant of such pension. The commission shall establish such rules and regulations regarding the care, transfer, management, and sale of such property as it deems advisable, and shall, after reimbursing the county for all sums advanced, provide for the return of the balance of the applicant's property in its hands whenever the pension is withdrawn or the applicant ceases to request it.

SEC. 7. *Computation of property value.*—(*a*) The annual income of any property inclusive of a homestead, shall be computed at 5 per cent of its determined value.

(*b*) In ascertaining an applicant's income and the amount of pension, his income for the last preceding year shall be deemed his annual income, and the property owned at the end of that year as his accumulated property: *Provided*, That when the applicant shows to the satisfaction of the commission the loss of personal income derived from personal earnings, it shall be deducted from income of the preceding year in considering the amount of pension to be granted.

SEC. 8. *Application form.*—(*a*) An applicant for a pension under this act, shall file his or her application in writing with the probate judge of the county in which the applicant resides in the manner and form prescribed by the commissioner of the department of public welfare. All the statements in the application shall be sworn to or affirmed by the applicant, setting forth that all facts are true and correct in every material point.

(*b*) After proper investigation of said application by the probate judge, he shall present the same to the county commissioners at their next meeting with his recommendaion for their approval. In the event the commissioners, or a majority thereof, approve the recommendation of the probate judge, their action shall be final, unless the applicant shall, within 10 days after receiving notice of such action, demand a hearing upon said application, in which event the probate judge shall fix a date for the hearing thereof, which shall be attended by the county attorney and a majority of the county commissioners, with full power of investigation. The applicant shall be notified, sufficiently in advance, of the date of the hearing on which he may attend to support his application, and after such hearing the decision of the probate judge, with the approval of the county commissioners, shall be final.

(*c*) For the purpose of such investigation, the applicant or any member of the board of county commissioners shall have the right to request the issuance of subpœnas, or the probate judge on his own motion, may do so, compelling the attendance of witnesses and the production of books and papers. All witnesses shall be examined on oath or affirmation administered by the probate judge, and their testimony may be taken in shorthand by the county stenographer and the county attorney shall examine or cross-examine the applicant or any witness appearing on such hearing.

(*d*) In the investigation of any application for a pension or any renewal thereof, the commission shall investigate and make its decision and findings in all cases by such means and in such manner as it deems proper.

SEC. 9. *Issuance of certificate.*—(*a*) When the application is allowed and the rate of the first year's pension fixed, the probate judge with the approval of the board of county commissioners, shall issue to the applicant an old-age pension certificate stating the amount of the monthly payment, which shall be good for one year, except as otherwise provided in this act.

(*b*) Such certificate shall be required to be renewed or issued each subsequent year after satisfactory investigation.

SEC. 10. *Date of paying pension.*—(*a*) The pension shall commence on the date named in the certificate, which shall be the first day of the month within which the certificate is issued: *Provided*, That where an application is allowed, the certificate shall be issued not later than three months after application has been made.

(*b*) All installments shall be paid monthly, the payments to be made in such form and manner as may be ordered by the commission.

SEC. 11. *Cancellation of certificate.*—(*a*) If at any time during the currency or continuance of an old-age pension certificate, the recipient or the wife or husband of the recipient becomes possessed of any property or income in excess of the amount allowed by law in respect to the amount of the pension granted, the commission shall either cancel the pension or vary the amount thereof during the period of the certificate. And it shall be the duty of the recipient to immediately notify the probate judge of the receipt and possession of such property or income, and give him full and complete information with respect thereto, and in the event such property or income is in excess of the amount allowed by law for the allowance of a pension hereunder, then as to such excess the commission shall have a lien thereon, prior to all other liens, except general taxes, for the repayment of all sums advanced, and in the event the same is not paid within such time as the commission may fix, the county attorney shall commence an appropriate action in the name of the commission to enforce said lien and recover the amount so advanced, and the proceeds of such action shall be paid into the fund from which the pension was granted.

(*b*) Whenever during the life, or upon the death of any recipient of an old-age pension certificate, it is found that he or she was possessed of property in excess of the amount allowed by law in respect to the amount of pension granted, double the total amount of the relief granted in excess of that to which the recipient was by law entitled, may be recovered by the commission as a preferred claim from the estate so found in excess. The county attorney shall institute and prosecute the necessary proceedings to recover such claim and all property of the recipient, including homestead and other exempt property, shall be liable therefor and the amount recovered shall be paid into the county treasury, and credited to the fund from which the pension was paid.

SEC. 12. *Burial expenses.*—(*a*) On the death of a recipient of an old-age pension, the commission shall pay such reasonable funeral expenses as are necessary for the burial of such person: *Provided*, That these expenses shall not exceed $100: *And provided further*, That the estate of the deceased is insufficient to defray these expenses.

(*b*) *And provided further*, That these provisions for providing for old-age pensions shall not be construed as a vested right in the pensioner.

SEC. 13. *Payment to charitable institution.*—(*a*) When an old-age pension recipient becomes an inmate of any charitable or benevolent institution, payments accruing upon the certificate or such amount thereof as may be necessary shall be paid to the governing authorities of that institution, and shall be applied toward defraying the actual expenses of such person in such institution: *Provided*, That the commission has approved, and that it and its agents are permitted freely to visit and inspect said institution. It shall not be lawful for the authorities of any charitable institution receiving public moneys, to refuse admission as an inmate of such institution or to refuse relief on the ground that the person is an old-age recipient under this act.

(*b*) During the continuance of the pension no recipient shall receive any other relief from the State or from any political subdivision thereof, except for medical and surgical assistance.

SEC. 14. *Certificate not assignable.*—No old-age pension certificate shall be sold, assigned, or be subject to execution or attachment or other process, and in case of bankruptcy the same shall not pass to or through any trustee or other persons acting on behalf of creditors.

SEC. 15. *Improperly obtained certificate.*—If at any time the commission has reason to believe that any certificate has been improperly obtained, it shall cause special inquiry to be made, and may suspend payment of any installment pending inquiry. If, on inquiry, it appears that the certificate was improperly obtained, it shall be canceled by the probate judge with the approval of the county commissioners, but if it appears that the certificate was properly granted, the suspended installment shall be payable in due course.

SEC. 16. *False representations.*—Any person who by means of a willful false statement or representation, or concealment of facts relative to his property, or by impersonation, or other fradulent device, obtains, or attempts to obtain or aids or abets any other person to obtain—

(*a*) A pension certificate or any payment thereon to which he is not justly entitled.

(*b*) A greater allowance than that to which he is justly entitled.

(*c*) Payment of any forfeited installment certificate.

(*d*) Or aids or abets in the buying or in any way disposing of the property of an old-age pension recipient, without the consent of the commission shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine not exceeding $300 or imprisonment in the county jail not exceeding 6 months, or both, in the discretion of the court.

SEC. 17. *Violations.*—(*a*) Any person who violates any of the provisions of this act for which no penalty is specifically provided, shall be subject to a fine not exceeding $300, or imprisonment in the county jail, not exceeding six months, or both, in the discretion of the court.

(*b*) Where an old-age pension recipient is convicted of an offense under this act, the commission shall cancel the pension certificate in respect to the issuance of which the offense was committed.

SEC. 18. *Conviction of crime.*—If any recipient under this act is convicted of any crime, misdemeanor of [or] felony, punishable by imprisonment for one month or longer period, the commission shall direct that payments be not made during such period. If the recipient is found incapable of taking care of his money or himself on the testimony of at least three reputable witnesses, the commission may direct the installment of his pension to be paid to any other reputable person for his benefit, or may suspend the same for such period as it deems proper.

SEC. 19. *Disqualification by forfeiture.*—In case of forfeiture of a pension certificate the person whose certificate is so forfeited shall be disqualified for making any application for a new certificate until expiration of one year from the date of forfeiture.

SEC. 20. *Funds provided by county.*—Funds for the administration of this act and the payment of pensions issued thereunder, shall be provided by the several counties of this State from the poor fund or county current expense fund, as the case may be, used by the county in caring for its poor.

SEC. 21. *Reports.*—Within 90 days after the close of each calendar year, the commission for the several counties of this State shall make a report to the department of public welfare of this State, stating—

(*a*) The total number of recipients.

(*b*) The amount paid in case [cash].

(*c*) The total number of applications.

(*d*) The number of granted pensions, the number denied, the number canceled during that year and such other information as the department of public welfare may deem advisable.

SEC. 22. *Administration.*—The primary and active administration of the provisions of this act shall devolve upon the probate judge, who shall keep a record of each application and all proceedings had and taken thereon. It being the intention to confer upon the board of county commissioners such supervisory power and control as may be necessary, to the end that the provisions of this act are not abused, nor any deserving person denied relief thereunder.

SEC. 23. *Pension subject to amended act.*—Every pension granted under the provisions of this act shall be deemed to be granted and shall be held subject to the provisions of any amending or repealing act that may hereafter be passed, and no recipient under this act shall have any claim for compensation or otherwise by reason of his certificate being affected in any way by any such amending or repealing act.

SEC. 24. *Gender.*—That whenever in this act the masculine pronoun is used, it shall be held to include the feminine pronoun also.

SEC. 25. *Title of act.*—This act shall be named and cited as the old-age pension act of the State of Idaho.

(Approved February 12, 1931.)

Kentucky

STATUTES (CARROLL'S) 1930

ARTICLE XV

SECTION 938i–1. *Establishment of system.*—That the fiscal court or county commissioners of each of the counties of the State may, after first adopting the provisions of this act, establish a system of old-age pensions in accordance with the provisions provided herein and may levy, collect and disburse such sums of money from the general funds of their county as may be necessary to comply with the provisions of this act. After having operated under such system for one year or more, any county may abandon such system.

SEC. 938i–2. *Amount of pension.*—Any person while residing in a county which maintains a system of old-age pensions, who shall comply with the provisions of this act shall be entitled to a pension in old age. The amount of such pension shall be fixed by the county judge with due regard to the conditions in each case, but in no case shall it exceed $250 per annum.

SEC. 938i–3. *Conditions.*—An old-age pension may be granted only to an applicant who has attained the age of 70 years or upwards, and has been a citizen of the United State [States] for at least 15 years before making application for a pension and has resided in the State and county in which he makes application for at least 10 years immediately preceding the date of application.

SEC. 938i–4. *Persons not entitled to pensions.*—That no person shall be entitled to an old-age pension who is a professional beggar or who, by manual labor or by his or her skill or knowledge in any profession, trade or craft is able to earn any sum in excess of $400 per annum or who receives a pension from the United States or any State or foreign government [or] from any source which, when added to his or her earnings, will exceed the sum of $400, or who possesses property to the value of $2,500 or more, or who has an income from any source, in excess of $400 per annum or who is an inmate of any State, county, or charitable institution within this State or any other State or who had deprived himself or herself, directly or indirectly, of any property for the purpose of qualifying for old-age relief or who has a child or other person responsible under the laws of this State for his or her support and able to support such applicant.

SEC. 938i–5. *Amount deductible from estate.*—On the death of the person pensioned under the provisions of this act or of the survivor of a married couple, both of whom were so pensioned, the total amount paid as pension, together with simple interest at 3 per cent annually shall be allowed and deducted from the estate of such person or persons by the court having jurisdiction to settle the estate. The amount so recovered shall be paid into the treasury of the county where said pension was paid and become a part of the old-age pension fund of said county.

SEC. 938i–6. *Application, investigation, certificate, reapplication, revocation, etc.*—An applicant for a pension shall file his or her application by writing with the county judge of the county in which he resides in such manner and form as shall be prescribed by the fiscal court or county commissioners. The county judge shall promptly make or cause to be made investigations as he may deem necessary and shall decide upon the application and fix the amount of the pension, if any, and such decision shall be final. An applicant whose application for a pension has been rejected may not again apply for a pension until the expiration of 12 months from the date of his previous application. The county judge shall issue to each applicant, to whom a pension is allowed, a certificate stating the date upon which pension payments shall commence and the amount of each installment, which may be monthly or quarterly, as the judge may decide. Each pensioner under the provisions of this act shall file such reports with the county judge as requested by the fiscal court or county commissioners. If it appears at any time that the applicant's circumstances have changed, the county judge may revoke any pension certificate issued.

SEC. 938i–7. *Fraudulent acts, violations, etc.*—Any person, who by means of a willfully false statement or representation or by impersonation or other fraudulent device, obtains or attempts to obtain or aids or abets any person to obtain a pension certificate, to which he is not entitled, shall be guilty of a misdemeanor and on conviction thereof shall be fined not more than $500 or imprisonment in the county jail for not more than one year or punished by both such fine and imprisonment.

(Chapter 187 of Acts of 1926, effective March 25, 1926.)

Maryland

ACTS OF 1927

CHAPTER 538 (AS AMENDED 1931, CH. 114)

SECTION 1. *Establishment of system.*—The mayor and council of the city of Baltimore, or the county commissioners of any county of the State of Maryland, are hereby authorized to establish a system of old-age pensions in accordance with the provisions of this article.

SEC. 2. *Amount.*—Any person while residing in a county or in Baltimore city, which maintains a system of old-age pensions, who shall comply with the provisions of this article, shall be entitled to a pension in old age. The amount of such pension shall be fixed with due regard to the conditions in each case, but in no case shall it be an amount which, when added to the income of the applicant, including income from property, shall exceed a total of $1 a day.

SEC. 3. *Conditions.*—An old-age pension may be granted only to an applicant who—

(1) Has attained the age of 65 years or upwards.

(2) Has been a citizen of the United States for at least 15 years before making application for a pension.

(3) Has resided in the State and county or Baltimore City, in which he makes an application—

(*a*) Continuously for at least 10 years immediately preceding the date of application; but

(*b*) *Provided*, That absence in the service of the State of Maryland or of the United States shall not be deemed to interrupt residence in the State and county or Baltimore city if a domicile be not acquired outside of the State and county or Baltimore city.

(4) Is not at the date of making application an inmate of any prison, jail, workhouse, infirmary, insane asylum, or any other public correctional institution.

(5) During the period of 10 years immediately preceding such date has not been imprisoned for a felony.

(6) If a husband, has not, without just cause, failed to support his wife and his children under the age of 16 years for 6 months or more during the 15 years preceding the date of application for a pension.

(7) Has not, within one year preceding such application for a pension been a habitual tramp or beggar.

(8) Has no child or other person responsible, under the laws of this State, for his or her support and able to support him or her.

SEC. 4. *Persons not entitled to pension.*—No old-age pension shall be granted or paid to a person:

(1) While or during the time he or she is an inmate of and receives the necessities of life from any charitable institution, maintained by the State or any of the political subdivisions of the State, or of a private charitable, benevolent or fraternal institution or home for the aged.

(2) Who has deprived himself or herself, directly or indirectly, of any property for the purpose of qualifying for old-age relief.

SEC. 5. *Application.*—Any applicant for a pension shall file his or her application in writing with the county commissioners of the county in which he or she resides or with the supervisors of city charities if a resident of Baltimore city, in such manner and form as shall be prescribed by the county commissioners or the supervisors of city charities of Baltimore city. All statements in the application shall be sworn to or affirmed by the applicant.

SEC. 6. *Investigation.*—The said county commissioners and the supervisors of city charities shall promptly make or cause to be made such investigations as they may deem necessary. The county commissioners for the counties and the supervisors of city charities for Baltimore city shall decide upon the application and fix the amount of the pension, if any, and such decision shall be final. An applicant whose application for a pension has been rejected may not again apply for a pension until the expiration of six months from the date of his or her previous application.

SEC. 7. *Change of pensioner's condition.*—Each pensioner under the provisions of this article shall furnish such information as the county commissioners or the supervisors of city charities of Baltimore city may from time to time require. If it appears at any time that the circumstances of the pensioner have changed, the county commissioners or the supervisors of city charities may revoke or modify any pension allowed.

SEC. 8. *Burial expenses.*—On the death of a pensioner, such reasonable funeral expenses for burial shall be paid to such persons as the county commissioners for the counties and the supervisors of city charities for Baltimore city may direct: *Provided*, That these expenses shall not exceed $125: *And provided further*, That the estate of the deceased is insufficient to defray these expenses.

SEC. 9. *Other relief prohibited; incapacity of pensioner.*—(1) During the continuance of the pension no pensioner shall rceive any other relief from the State or from any political subdivision thereof except for medical and surgical assistance.

(2) If the pensioner is, on the testimony of at least two reputable witnesses, found incapable of taking care of himself or his money, the county commissioners for the counties and the supervisors of city charities for Baltimore city may direct the payment of pension installments to any responsible person or corporation for his benefit or may suspend payment for such period as the county commissioners for the counties and the supervisors of city charities for Baltimore city shall deem advisable.

SEC. 10. *Relief inalienable.*—All pensions shall be exempt from any tax levied by the State or by any subdivision thereof, and exempt from levy and sale, garnishment, attachment or any other process whatsoever and shall be inalienable in any form.

SEC. 11. *Improperly granted relief.*—If at any time the county commissioners for the counties and the supervisors of city charities for Baltimore city have reason to believe that a pension has been improperly obtained, the said county commissioners for the counties and the supervisors of city charities for Baltimore city shall cause special inquiry to be made and may suspend payment of any installments pending the inquiry. If upon inquiry it appears that the pension was improperly obtained, it shall be canceled; but if it appears that the pension was properly obtained, the suspended installments shall be payable in due course.

SEC. 12. *Fraudulent acts.*—Any person who by means of a willfully false statement or representation, or by impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any person to obtain—

(*a*) A pension to which he or she is not entitled.

(*b*) A larger pension than that to which he or she is lawfully entitled.

(*c*) Payment of any forfeited installments.

(*d*) Or aids or abets in buying or in any way disposing of the property of a pensioner without the consent of the county commissioners for the counties and the supervisors of city charities for Baltimore city, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $500, or be imprisoned in the county or city jail for not more than one year, or be punished by both such fine and imprisonment, in the discretion of the court.

SEC. 13. *Violations.*—(1) Any person who violates any provision of this article for which no penalty is specifically provided shall be subject to a fine not exceeding $500 or to imprisonment not exceeding one year, or both.

(2) Where a pensioner is convicted of an offense under this section, the county commissioners for the counties and the supervisors of city charities for Baltimore city may cancel or revoke the pension granted.

SEC. 14. *Pensions withheld.*—If a pensioner is convicted of any misdemeanor, felony, or other offense, punishable by imprisonment for one month or longer, payments shall not be made during the period of imprisonment.

SEC. 15. *Appropriation.*—The county commissioners of each county or the mayor and city council of Baltimore may annually appropriate a sum of money sufficient to carry out the provisions of this article. Upon the orders of the county commissioners for the counties and the supervisors of city charities for Baltimore city, the county treasurer or the city comptroller, as the case may be, shall pay out the amounts ordered to be paid as pensions, under the provisions of this article.

SEC. 16. *Urgent cases.*—Should the fund or funds available be insufficient to permit of a pension to only a part of those coming within the provisions of this article, the county commissioners in the several counties or the supervisors of city charities of Baltimore city shall select in their discretion those in most urgent need of such pension.

SEC. 17. *Employment of clerks, etc.*—The county commissioners for the counties and the supervisors of city charities for Baltimore city shall have the power to employ such assistant investigators and clerical help as they may deem necessary, whose salaries shall be fixed and determined by the county commissioners for the counties and by the board of estimates for the city of Baltimore.

SEC. 18. *Reports.*—Each year a report of the total number of applications for pensions, the number granted, the number denied, the number canceled and the total amount expended for pensions, shall be submitted by the county commissioners to the governor and by the supervisors of city charities in their annual report to the mayor and city council of Baltimore and the governor.

SEC. 19. *Promulgation of rules, etc.*—The county commissioners for the counties and the supervisors of city charities for Baltimore city shall from time to time prescribe and promulgate rules and regulations to carry out the provisions of this article, and shall publish such information as they may deem advisable to acquaint aged persons and the public generally with the old-age pension plans of this State.

(Approved and effective April 6, 1931. Repeals original act (Acts of 1927, ch. 538), approved April 26, 1927.)

Massachusetts

ACTS OF 1930

CHAPTER 402

SECTION 1. *Providing relief.*—Adequate assistance to deserving citizens in need of relief and support, 70 years of age or over, who shall have resided in the Commonwealth not less than 20 years immediately preceding arrival at such age, subject to such reasonable exceptions as to continuity of residence as the department of public welfare, in this chapter called the department, may determine by rules hereinafter authorized, shall be granted under the supervision of the department. Such assistance shall, wherever practicable, be given to the aged person in his own home or in lodgings or in a boarding home, and it shall be sufficient to provide such suitable and dignified care. No person receiving assistance hereunder shall be deemed to be a pauper by reason thereof.

SEC. 2. *Establishment of agency.*—Each board of public welfare shall, for the purpose of granting adequate assistance and service to such aged persons, establish a division thereof to be designated as the bureau of old-age assistance. In determining the need for financial assistance, said bureaus shall give consideration to the resources of the aged person and to the ability of children and others to support such aged person. Separate records of all such aged persons who are aided shall be kept and reports returned in the manner prescribed by section 34 of chapter 41, and by sections 32 and 33 of chapter 117.

SEC. 3. *Reimbursement.*—In respect to all aged persons in receipt of assistance under this chapter, the town rendering the assistance shall, after and subject to approval of the bills by the department and subject otherwise to the provisions of section 42 of chapter 121, be reimbursed by the Commonwealth for one-third of the amount of assistance given, or, if the person so aided has no settlement in the Commonwealth, for the total amount thereof. If the person so aided has a legal settlement in another town, two-thirds of the amount of such assistance given may be recovered in contract against the town liable therefor in accordance with chapter 117.

SEC. 4. *Duties of department.*—The department shall supervise the work done and measures taken by the boards of public welfare of the several towns in respect to persons aided and service given under this chapter; and for this purpose may make such rules relative to notice and reimbursement, and such other rules relating to the administration of this chapter, as it deems necessary, and may visit any person aided, and shall have access to any records and other data kept by the boards of public welfare or their representatives relating to such assistance, and require the production of books and papers and the testimony of witnesses under oath.

(Approved May 28, 1930; effective July 1, 1931.)

Minnesota

ACTS OF 1929

CHAPTER 47

SECTION 1 (as amended by acts of 1931, ch. 138). *Establishment of system.*—Any county in this State is hereby authorized to establish a system of old-age pensions. Before so doing the proposition of the establishment of such a system shall be duly submitted to the legal voters of the county at the next ensuing general election to be held therein, and if a majority of the legal voters voting at such election shall vote in favor of the establishment of such a system then it shall be established in said county pursuant to the conditions of this act. A resolution submitting such proposition to the legal voters of the county must be duly adopted by the county board by a majority vote thereof before such proposition shall be so submitted. After having operated under such system for one year or more any county may abandon such system by a majority vote of the county board voting in favor of such abandonment.

SEC. 2 (as amended by Acts of 1931, chs. 72 and 138). *Persons entitled to pension; amount.*—Any person who shall comply with these provisions shall be entitled to a pension while continuing to reside in the county in which such pension is granted. The amount of such pension shall be fixed with due regard to the conditions in each case, as herein provided, but in no case shall it be an amount, which, when added to the income of the applicant, including income from property, as computed under the terms of this act, shall exceed a total of $1 per day.

SEC. 3. *Conditions.*—An old-age pension may be granted only to an applicant who—

(1) Has attained the age of 70 years or upwards.

(2) Has been a citizen of the United States for at least 15 years before making application for a pension.

(3) Has resided in the State and county in which he makes application—

(*a*) Continuously for at least 15 years immediately preceding the date of application, but continuous residence in the State and county shall not be deemed to have been interrupted by periods of absence therefrom if the total of such periods does not exceed 3 years, or,

(*b*) Forty years, at least five of which have immediately preceded the application;

(*c*) *Provided,* That absence in the service of the State of Minnesota or of the United States shall not be deemed to interrupt residence in the State or county if domicile be not acquired outside the State or county.

(4) Is not at the date of making application an inmate of any prison, jail, workhouse, infirmary, insane asylum, or any other public correctional institution.

(5) During the period of 10 years immediately preceding such date has not been imprisoned for a felony.

(6) If a husband, has not, without just cause, failed to support his wife and children under the age of 15 years for 6 months or more during the 15 years preceding the date of application.

(7) Has not, within one year preceding such application, been a habitual tramp or beggar.

(8) Has no child or other responsible person under the law of this State liable for his support and able to support him.

SEC. 4. *Persons not entitled to pension.*—No old-age pension shall be granted or paid to a person—

(1) While or during the time he is an inmate of and receives the necessities of life from any charitable institution maintained by the State or any of the political subdivisions of the State, or of a private charitable, benevolent or fraternal institution, or home for the aged.

(2) If the value of his property or the value of the combined property of husband and wife, living together, exceeds $3,000.

(3) Who has deprived himself, directly or indirectly, of any property for the purpose of qualifying for old-age relief.

SEC. 5. *Computation of income.*—The annual income of any property which is not so utilized as to produce a reasonable income shall be computed at 5 per cent of its value.

SEC. 6. *Amount deductible from estate.*—On the death of a person pensioned, or on the death of the survivor of a married couple, both of whom were so pensioned, the total amount paid as pension, together with simple interest at 3 per cent annually shall be allowed and deducted from the estate of such person or persons, by the court having jurisdiction to probate the estate. The amount so recovered shall be paid into the treasuries of the county, town, village or city, in the proportion in which they respectively contributed toward the total of the pensions received by the deceased or by the married couple of which the deceased was the survivor.

SEC. 7 (as amended by Acts of 1931, ch. 138). *Property transfer.*—(1) If the board of county commissioners deems it necessary, it may require as a condition to the grant of a pension certificate that all or any part of the property of an applicant for a pension be transferred to the county. Such property shall be managed by the board of county commissioners, which shall pay the net income to the person or persons entitled thereto. The board shall have power to sell, lease or transfer such property or defend and prosecute all suits concerning it and to pay all just claims against it and do all other things necessary for the protection, preservation, and management of the property: *Provided,* That the property acquired by the county under the provisions hereof shall be sold, leased or transferred only in the manner provided by section 638, General Statutes 1923.

(2) If in the event that the pension is discontinued during the lifetime of the pensioner the property thus transferred to the board of county commissioners

exceeds the total amount paid as pensions with simple interest at 3 per cent annually, the remainder of such property shall be returned to the pensioner; and in the event of his death such remainder shall be considered as the property of the pensioner for proper probate proceedings. The board of county commissioners shall execute and deliver all necessary instruments to give effect to this subsection.

(3) The county attorney at the request of the board of county commissioners shall take the necessary proceedings and represent and advise the board in any matters arising under this section.

SEC. 8 (as amended by Acts of 1931, chs. 72 and 138). *Applications.*—An applicant for a pension shall file his application in writing with the county auditor of the county in which he resides in such manner and form as shall be prescribed by the county attorney. All statements in the application shall be sworn to or affirmed by the applicant, setting forth that all facts are true in every material point. Upon the filing of such an application, the board of county commissioners shall make an order fixing a time and place for the hearing thereon, which hearing shall be not sooner than 30 days after the making of such order. The county auditor shall forthwith upon the making of such order mail a copy of the same and of the application to the clerk or recording officer of the city, town, or village of which the applicant is a resident; a like copy of such order shall be mailed to the applicant.

SEC. 9 (as amended by Acts of 1931, chs. 72 and 138). *Investigations.*—The board of county commissioners shall promptly make or cause to be made such investigation as it may deem necessary. The board of county commissioners shall decide upon the application, and fix the amount of the pension, if any, and such decisions shall be final: *Provided, however*, That in a county having a board of public welfare as authorized by chapter 371, Laws of 1929, the board of county commissioners may delegate to such board of public welfare, subject to the supervision of the board of county commissioners, such investigation, decisions upon the applications and fixing the amounts of the pensions, if any: *Provided*, That in any county having a poor commission authorized to administer poor relief with all the powers of the county board in counties, having the county system of administering such poor relief, the said poor commission shall make or cause to be made by competent authority, such investigations, decisions upon applications for pension, and the fixing of the amounts of pension, if any, to be awarded hereunder; all subject to the final approval of said poor commission by resolution and order duly entered in its records, before any such pension shall be paid by the county auditor. In any such county where such poor relief is administered by and under the supervision of said poor commission, it shall be the duty of said poor commission, and its secretary or clerk, to carry out the provisions of this act with the same powers, duties and obligations as are herein vested in the board of county commissioners and the county auditor respectively, and for that purpose said poor commission shall have authority to employ such additional assistance as shall be found necessary: *Provided further*, That in any county having a poor commission, it shall be the duty of the poor commission to designate the deputy clerks of court at such places where regular terms of court are held in said county as clerks for the purpose of accepting applications for such pension. It shall be the duty of such clerks of court to aid and assist the applicant in making out his application for such pension: *Provided further*, That in a county having an official investigator appointed as provided in section 8676, General Statutes 1923, the board of county commissioners may delegate such investigation to such official investigator subject to the supervision of the board of county commissioners. An applicant whose application for pension has been rejected, may not again apply for a pension until the expiration of 12 months from the date of his previous application.

SEC. 10 (as amended by Acts of 1931, ch. 138). *Certificates.*—(1) The board of county commissioners shall issue to each applicant to whom a pension is allowed, a certificate stating the date upon which pension payments shall commence and the amount of each installment, which may be monthly or quarterly, as the board of county commissioners may decide.

(2) Each pensioner shall file such reports with the board of county commissioners as the said board of county commissioners may from time to time require. If it appears at any time that the applicant's circumstances have changed, the board of county commissioners may revoke or modify any pension certificate issued. Any pension paid in excess of the amount due shall be returned to the county and may be recoverable as a debt due the county.

SEC. 11 (as amended by Acts of 1931, ch. 138). *Burial expenses.*—On the death of a pensioner such reasonable funeral expenses for burial shall be paid to such person as the board of county commissioners may decide: *Provided*, That these expenses do not exceed $100: *And provided further*, That the estate of the deceased is insufficient to pay these expenses.

SEC. 12 (as amended by Acts of 1931, ch. 138). *Other relief prohibited; incapacity of pensioner.*—(1) During the continuance of the pension no pensioner shall receive any other relief from the State or from any political subdivision thereof, except for medical and surgical assistance.

(2) If the pensioner is, on the testimony of at least three reputable witnesses, found incapable of taking care of himself or his money, the board of county commissioners may direct the payment of the installments of the pension to any responsible person or corporation for his benefit or may suspend payment for such period as the board of county commissioners shall deem advisable.

SEC. 13. *Relief inalienable.*—All pensions shall be exempt from any tax levy by the State or by any subdivision thereof, and exempt from levy and sale, garnishment, attachment, or any other process whatsoever, and shall be inalienable in any form.

SEC. 14 (as amended by Acts of 1931, ch. 138). *Revocation of certificate.*—If at any time the board of county commissioners has reason to believe that a pension certificate has been improperly obtained, the board of county commissioners shall cause special inquiry to be made and may suspend payment of any installment pending the inquiry. If on inquiry it appears that the certificate was improperly obtained, it shall be canceled, but if it appears that the certificate was properly obtained, the suspended installments shall be payable in due course.

SEC. 15. *Fraudulent acts.*—Any person who by means of a willfully false statement or representation, or by impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any person to obtain—

(1) A pension certificate to which he is not entitled;

(2) A larger pension than that to which he is justly entitled;

(3) Payment of any forfeited installment grant;

(4) Or aids or abets in buying or in any way disposing of the property of the pensioner without the consent of the district judge

shall be guilty of a misdemeanor.

SEC. 16 (as amended by Acts of 1931, ch. 138). *Fraudulent acts.*—(1) Any person who violates any provision for which no penalty is specifically provided shall be guilty of a misdemeanor.

(2) Where a pensioner is convicted of an offense under this section the board of county commissioners may cancel the certificate.

SEC. 17. *Pensions withheld.*—If a pensioner is convicted of any misdemeanor, felony, or other offense punishable by imprisonment for one month or longer, payments shall not be made during the period of imprisonment.

SEC. 18 (as amended by Acts of 1931, chs. 72 and 138). *Appropriation.*—(1) The county board of each county shall annually appropriate a sum of money sufficient to carry out the provisions of this act. Upon the orders of the board of county commissioners, the county auditor shall draw his warrant on the proper fund in accordance with said order of said board and the county treasurer shall pay out the amounts ordered to be paid as pensions, under the provisions of this act.

(2) Each city, town, and village shall reimburse the county for all amounts of money paid in old-age pension to residents, except that such reimbursements shall not be required for persons who have not been residents thereof for at least five years. The county auditor shall make a report to the county board at its annual meeting showing in detail the amounts which under this subsection are chargeable to each city, town, and village, and the county board at such meeting shall determine the amount to be raised and paid by each city, town, and village, to reimburse the county. The county auditor shall charge the amount so determined to such city, town, or village, and shall certify the same to the city, town, or village clerk. Each city, town, or village shall annually levy a tax sufficient to meet such charges, which shall be collected as are other taxes, and paid into the county treasurer [treasury]: *Provided*, The foregoing provisions of this subdivision shall not apply in counties operating under a county system of caring for the poor. In any county where the commission

system of caring for the poor is in operation, all sums paid as pensions under the law shall be paid out of the revenue fund of said county.

SEC. 19. *Reports.*—Within 30 days after the close of each calendar year, the county auditor of each county shall make a report for the preceding year to the board of county commissioners stating—

(1) The amount paid for pensions and to whom and in what amount paid.

(2) The total number of applications for pensions and the name of each applicant.

(3) The number granted, the number denied, the number canceled during that year, the name of each applicant and such information as the board of county commissioners may deem advisable.

SEC. 20 (as amended by Acts of 1931, chs. 72 and 138). *Rules and regulations.*—The board of county commissioners shall from time to time prescribe and promulgate rules and regulations to efficiently carry out the provisions of this act and shall publish such information as it may deem advisable to acquaint aged persons and the public generally with the old-age pension plan of this State.

SEC. 20A (as added by Acts of 1931, ch. 138). *Validated acts.*—In every case where any district court or district judge has heretofore made and entered an order for the payment of a pension under the terms of chapter 47, Laws of 1929, the same shall be and hereby is in all respects validated and confirmed and shall continue as a valid order for a pension under the terms of said act and the board of county commissioners or poor commission of the county in which such order has been so entered shall continue to pay the pension granted in accordance with the terms of said order, subject to the limitations and provisions of chapter 47, laws of 1929, and until modified or revoked by said county board or poor commission as provided by said chapter 47, Laws of 1929, as by this act amended.

(Approved and effective March 1, 1929.)

Montana

ACTS OF 1923

CHAPTER 72

SECTION 1. *Establishment of system.*—There shall be established in each county of the State of Montana a county old-age pension board hereinafter called the old-age pension commission, and the boards of county commissioners of the respective counties of the State of Montana are hereby designated as the old-age pension commissions of their respective counties and to serve as such without any additional compensation.

SEC. 2. *Duties of commission.*—The old-age pension commission shall perform all the duties imposed upon it by this act and shall have authority to make such rules and regulations consistent with the provisions hereof as are necessary to carry out the provisions of this act. The old-age pension commission shall meet at such times and places as shall be fixed by its rules.

SEC. 3. *Persons entitled.*—Every person (man or woman, married or single) shall, in the discretion of the old-age pension commission, while residing in the State of Montana, be entitled to a pension in old age subject to the restrictions and qualifications hereinafter noted.

SEC. 4. *Amount.*—The amount of said pension shall be fixed by the old-age pension commission with due regard to the conditions in each case; but in no case shall it exceed $25 per month.

SEC. 5. *Conditions.*—An old-age pension may be granted only to an applicant who—

(*a*) Has attained the age of 70 years or upwards.

(*b*) Has been a citizen of the United States for at least 15 years before making application for a pension.

(*c*) Resides in the State of Montana and has so resided continuously therein for not less than 15 years immediately preceding the date of the application for a pension: *Provided,* That continuous residence in the State shall not be deemed to have been interrupted by occasional absence therefrom where the total period of such absence does not exceed three years; or by absence from the State while in the employ or service of the State or of the United States: *And pro-*

vided further, That a person who has resided in the State of Montana 25 years at least 5 of which have been immediately preceding the date of the application shall be deemed qualified in respect to residence.

(*d*) That during the period of 10 years preceding such date of application he has not been imprisoned for any offense punishable by imprisonment in the State penitentiary.

(*e*) That the claimant, if a husband, has not during the period of 15 years immediately preceding such date of application for a pension, for a period of 6 months or upwards, deserted his wife or without just cause failed to provide for her with adequate means of maintenance or neglected to maintain and provide for such of his children as were under the age of 15 years; or if a wife, deserted her husband or such of her children as were under age without cause.

(*f*) That he has not been, within one year preceding such application for pension, a professional tramp or beggar.

SEC. 6. *Income, etc., refunds.*—The income of the claimant from all sources at the date of application for relief shall not exceed $300 per annum.

(*a*) The claimant must not have deprived himself or herself, directly or indirectly, of any property for the purposes of qualifying for old-age relief.

(*b*) The aged person must have no child or any other person responsible legally for the support of the aged person under the laws of the State of Montana fully able to support the applicant.

(*c*) At the death of the person to whom the pension is granted, or of the last survivor of a married couple, the total amount of the pension since the first grant, together with 5 per cent of interest shall be deducted and allowed by the proper courts out of the proceeds of his or her property as a preferred claim against the estate of the person so assisted, and refunded to the county treasury to the credit of the poor fund, leaving the balance for distribution among the lawful heirs in accordance with law; *Provided*, That the old-age pension commission may demand the assignment or transfer of such property upon the first grant of such pension. The old-age pension commission shall establish such rules and regulations regarding the care, transfer, management, and sale of such property as it deems advisable, and also provide for the return of the balance of the claimant's property into its hands whenever the pension is withdrawn or the claimant ceases to request it.

SEC. 7. *Computation of income.*—The annual income of any property inclusive of a homestead, shall be computed at 5 per cent of its determined value.

(*a*) In ascertaining a claimant's income and the amount of pension, his income for the last preceding year shall be deemed his annual income, and the property owned at the end of that year as his accumulated property: *Provided*, That when the claimant shows to the satisfaction of the old-age pension commission the loss of personal income derived from personal earnings, it shall be deducted from the income of the preceding year in considering the amount of pension to be granted.

SEC. 8. *Application.*—A claimant for an old-age pension under this act shall deliver his or her claim in writing to the old-age pension commission of the county in which the claimant resides in the manner and form prescribed by the old-age pension commission. All statements in the application shall be sworn to or affirmed by the applicant setting forth that all facts are true and correct in every material point.

SEC. 9. *Certificate.*—When the claim is established and the rate of the first year's old-age pension is fixed, the old-age pension commission shall in the manner it may prescribe certify the same to the county treasurer of such county and shall issue to the claimant an old-age pension certificate which shall state the date of issuance, the claimant's name, age, residence, and the amount of monthly payment, which certificate shall be good for one year unless sooner revoked.

(*a*) The old-age pension certificate shall be required each subsequent year, to be renewed after satisfactory investigation.

SEC. 10. *Commencement of pension.*—The old-age pension shall commence on the date named in the certificate issued to the claimant by the county treasurer.

(*a*) All old-age pensions shall be paid in monthly payments by county warrants drawn on the county treasurer and on the poor fund thereof.

SEC. 11. *Cancellation of.*—If at any time during the currency or continuance of an old-age certificate, the recipient or the wife or husband of the recipient becomes possessed of any property or income in excess of the amount allowed by law in respect to the amount of pension granted, the old-age pension commission may, on inquiry, either cancel the pension or vary the amount thereof during the period of the certificate, and it shall be the duty of the recipient immediately to notify the old-age pension commission of the receipt and possession of such property or income.

(*a*) If on the death of any recipient of an old-age pension, it is found that he, or she, was possessed of property in excess of the amount allowed by law in respect to the amount of pension granted, double the total amount of the relief granted in excess of that to which the recipient was by law entitled, may be recovered by the old-age pension commission as preferred claim from the estate so found in excess. The attorney general or county attorney shall take the necessary proceedings to recover such claim and the amount recovered shall be paid into the county treasury of such county.

SEC. 12. *Burial expenses.*—On the death of a recipient of old-age pension, the installment then accuring [accruing] and such other reasonable funeral expenses as are necessary for the burial of such person shall be paid to such person as the old-age pension commission directs: *Provided,* That these expenses do not exceed $100: *And provided further,* That the estate of the deceased is insufficient to defray the expenses.

(*a*) *It is provided, further,* That these provisions for providing old-age pensions shall not be construed as a vested right in the pensioners.

SEC. 13. *Receiving of other aid.*—During the continuance of the old-age pension no recipient shall receive any other relief from the State or from any political subdivision thereof except for medical and surgical assistance.

SEC. 14. *Assignability of pension.*—All old-age pensions shall be absolutely inalienable by any assignment, sale, attachment, execution or otherwise, and in case of bankruptcy the old-age pension shall not pass to any trustee or other persons acting on behalf of creditors.

SEC. 15. *Improperly obtained pension.*—If at any time the old-age pension commission has reason to believe that any old-age pension certificate has been improperly obtained, it shall cause special inquiry to be made by the county attorney and may suspend payment of any installment pending the inquiry. If, on inquiry, it appears that the certificate was improperly obtained, it shall be canceled by the old-age pension commission, but if it appears that the certificate was properly obtained, the suspended installment shall be payable in due course.

SEC. 16. *Violation.*—Any person who by means of a willfully false statement or representation, or by impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any other person to obtain—

(*a*) An old-age pension certificate to which he is not justly entitled.

(*b*) A larger amount of assistance than that to which he is justly entitled.

(*c*) Payment of any forfeited installment grant.

(*d*) Or aids and abets in the buying or in any way disposing of the property of an old-age pension recipient without the consent of the old-age pension commission, shall be guilty of a misdemeanor and upon conviction thereof shall be sentenced to pay a fine of not exceeding $500 or to undergo imprisonment not exceeding six months, or both.

SEC. 17. *Same.*—Any person who violates any provisions of this act for which no penalty is specifically provided shall be subject to a fine of not exceeding $500 or to undergo imprisonment not exceeding six months, or both.

(*a*) Where an old-age pension recipient is convicted of an offense under this section, the old-age pension [commission] may cancel the pension certificate in respect to the issue of which the offense was committed.

SEC. 18. *Conviction of crime.*—If any recipient under this act is convicted of any crime, misdemeanor, or felony, or other offense, punishable by imprisonment for one month or longer period, the old-age pension commission shall direct that payment be not made during such period. Furthermore, if the recipient is found incapable of taking care of his money or himself on the testimony of reputable witnesses, the old-age pension commission may direct the installment of his pension to be paid to any other reputable person for his benefit or may suspend same for such period as it deems fit.

SEC. 19. *Disqualification.*—In case of forfeiture of any old-age pension certificate the person whose pension is so forfeited shall be disqualified from making any application for a new certificate until the expiration of one year from the date of forfeiture.

SEC. 20. *Appropriation.*—The funds for the payment of the old-age pensions shall be furnished by the respective counties and all expenses incurred in the administration of this act shall be paid from the funds of the several counties and paid by the county treasurer from the poor fund of such county.

SEC. 21. *Reports.*—Within 90 days after the close of the calendar year the old-age pension commission of each county shall make a report of the preceding year to the State auditor of the State of Montana stating:

(*a*) The total number of recipients.

(*b*) The amount paid in cash.

(*c*) The total number of applications.

(*d*) The number granted pension, the number denied, the number canceled during the year and such other information as the State auditor may deem advisable.

SEC. 22. *Procedure.*—All methods of procedure in hearings, investigations, recording, registration, and accounting pertaining to the old-age assistance under this act shall be in accordance with the rules and regulations as laid down from time to time by the old-age pension commission.

SEC. 23. *Vested rights.*—Every old-age pension granted under the provisions of this act shall be deemed to be granted and shall be held subject to the provisions of any amending or repealing act that may hereafter be passed and no recipient under this act shall have any claim for compensation or otherwise by reason of his old-age pension being affected in any way by any such amending or repealing act.

SEC. 24. *Gender.*—That wherever in this act the masculine pronoun is used, it shall be held to include the feminine pronoun also.

SEC. 25. *Title of act.*—This act shall be named and cited as the old-age pension act of the State of Montana.

SEC. 26. *Acts repealed.*—All acts or parts of acts conflicting with the provisions of this act are hereby repealed.

SEC. 27. *Effective date.*—This act shall take effect from and after its passage and approval by the governor.

(Approved March 5, 1923.)

Nevada

ACTS OF 1925

CHAPTER 121

SECTION 1. *Establishment of system.*—Subject to the provisions, and under the restrictions contained in this act, every person, while residing in and being a resident of the State of Nevada, shall be entitled to a pension in old age.

SEC. 2. *County funds.*—The board of county commissioners, and all officers having to do with the assessment of property, and the collection of taxes in each of the counties of this State may, and they are hereby empowered and authorized to, provide funds in an amount sufficient to carry out the provisions and requirements of this act.

SEC. 3. *Rules, etc., by county board.*—The board of county commissioners, hereinafter referred to as "the board," shall have authority to make such reasonable rules and regulations as may be necessary to carry out the provisions of this act, not in conflict herewith.

SEC. 4. *Amount of pension.*—The amount of pension shall be fixed with due regard to the conditions of each case, but in no case shall it be an amount which, when added to the income of the applicant, including income from property as computed under the terms of this act, shall exceed a total of $1 a day.

SEC. 5. *Conditions.*—An old-age pension may be granted to an applicant who—

(*a*) Has attained the age of 65 years or upwards.

(*b*) Has been a citizen of the United States for at least 15 years before making application for a pension, and residing actually, corporeally and physically in the State of Nevada for a period of 10 years from and preceding the application for pension.

(*c*) Is not, at the date of making application, an inmate of any prison, jail, workhouse, insane asylum, or any other public reform or correctional institution.

(*d*) For six months or more, during the 10 years preceding the date of application for relief, if a husband, has not deserted his wife, or, without just cause, failed to support her and his children under the age of 15 years; if a wife, has not deserted her husband, or, without just cause, failed to support such of her children as were under age and she was bound to support.

(*e*) Has not, within one year preceding such application for pension, been a professional tramp or beggar.

(*f*) Has no child or other person responsible under the law of this State for his or her support, and found by the board to be able to support him or her.

SEC. 6. *Persons not entitled to aid.*—(*a*) An old-age pension shall not be granted to a person if the value of his or her property exceeds $3,000, or, if married and not separated from husband or wife, if the value of his or her property, together with that of such husband or wife exceeds $3,000.

(*b*). The claimant must not have deprived himself or herself, directly or indirectly, of any property for the purpose of qualifying for old-age relief.

SEC. 7. *Computation of income.*—The annual income of any property which does not produce a reasonable income shall be computed at 5 per cent of its value as determined by the board.

SEC. 8. *Amount deductible from estate.*—(*a*) On the death of a person pensioned under this act, or of the survivor of a married couple, both of whom were so pensioned, the total amount paid as pensions, together with simple interest at the rate of 3 per cent per annum, shall be allowed and deducted from the estate by the court having jurisdiction to settle the estate, and paid into the treasury of the county, and placed in the old-age pension fund.

(*b*) If the board deems it necessary to protect the interest of the county, it may require as a condition to the granting of a pension certificate that all or any part of the property of the applicant for a pension be transferred to the board. Such property shall be managed by the board, which shall pay the net income therefrom to the person or persons entitled thereto. The board shall have power to sell, lease, or transfer such property, or defend and prosecute all suits concerning it, and to pay all just claims against it, and to do all other things necessary for the protection, preservation, and management of the property.

(*c*) The district attorney, at the request of the board, shall take all necessary proceedings and represent and advise the board in respect to any matters arising under this section without any additional remuneration.

SEC. 9. *Application.*—All applicants for pensions under the provisions of this act shall file with the clerk of the board of county commissioners a statement verified under oath covering all of the facts set forth in sections 5, 6, and 7 hereof, and the board of county commisisoners shall set a time when a hearing on said application shall be had, and the applicant shall have the right to appear at such hearing, either in person or by attorney, or both, and present the testimony of witnesses and such other evidence as shall be material to such application. The board shall make its investigation, hold a hearing on such application, and either grant or reject the same within 60 days from the filing thereof. The applicant shall be given at least 10 days' notice of the time and place of the hearing on any application, under the provisions of this section.

SEC. 10. *Assistance of district attorney.*—The district attorney shall be present and advise and assist the board in making investigations and conducting hearings.

SEC. 11. *Record of hearings.*—Upon the hearing the board shall cause to be entered upon its records an order granting or rejecting the application, and, if the application is rejected, the order shall contain the reasons for its rejection.

For the purpose of any investigation, or hearing, the board shall have the power to compel, by subpœna, the attendance and testimony of witnesses, and the production of books and papers. All witnesses shall be examined on oath, and any member of the board may administer such oath.

SEC. 12. *Certificates.*—The board shall issue to each applicant to whom a pension is allowed a certificate, which shall be in full force and effect until the further order of the board, stating the amount of each installment, which may be monthly or quarterly, as the board may decide. The amount of the pension may be changed if the board finds that the applicant's circumstances have changed.

SEC. 13. *Bona-fide resident.*—(*a*) The pension, if allowed, shall commence on the date the application was granted.

(*b*) No pension shall be paid under the provisions of this act unless the applicant is, at the time of making application and during all the times when same is being paid, an actual and bona-fide resident of the State of Nevada and actually, corporeally and physically present within the confines of said State of Nevada during all such times.

SEC. 14. *Reporting of excess income.*—(*a*) If at any time, during the currency or continuance of an old-age pension certificate, the recipient or the wife or the husband of the recipient becomes possessed of any property or income in excess of the amount allowed by law in respect to the amount of pension granted, it shall be the duty of the recipient to immediately notify the board of the receipt and possession of any such property or income, and the board may, on inquiry, either cancel the pension, or vary the amount thereof, during the continuance of such certificate, and any excess pension paid shall be returned to the treasury of the county, and shall be recoverable as a debt due to the county.

(*b*) If, on the death of any pensioner, it is found that he was possessed of property or income in excess of the amount allowed by law, in respect to the amount of the pension, double the total amount of the pension in excess of that to which the recipient was by law entitled may be recovered by the board as a preferred claim from his estate, and paid into the treasury of the county, and placed in the old-age pension fund.

SEC. 15. *Burial expenses.*—On the death of a pensioner, such reasonable funeral expenses for burial shall be paid to such person as the board directs: *Provided,* That these expenses do not exceed $100: *And provided further,* That the estate of the deceased is insufficient to defray these expenses.

SEC. 16. *Incapacity of pensioner.*—(*a*) While a pensioner is an inmate of any charitable, benevolent or fraternal institution within the State of Nevada the amount of the pension shall be paid to the governing authorities of that institution, and shall be applied toward defraying the actual expenses of such persons in such institution: *Provided,* That the board has approved, and that it and its agents are permitted freely to visit and inspect said institution: *And provided further,* That any money remaining after defraying such costs shall be paid to the recipient. It shall not be lawful, however, for the authorities of any charitable institution receiving public moneys to refuse admission as an inmate of such institution, or to refuse relief on the ground that the person is a pensioner under this act.

(*b*) During the continuance of the pension, no pensioner shall receive any other relief from the State of Nevada, or from any political subdivision thereof, except for medical and surgical assistance.

(*c*) If the pensioner is, on the testimony of at least three reputable witnesses, found incapable of taking care of himself or his money, the board may direct the payments of the installments of the pension to be made to any responsible person or corporation for his benefit. It shall be within the power of the board, for reasonable cause shown, to suspend payment for such period as the board may deem proper.

SEC. 17. *Relief inalienable.*—All pensions shall be absolutely inalienable by any assignment, sale, execution or otherwise, and in case of bankruptcy the pension shall not pass through any trustee or other person acting on behalf of the creditors.

SEC. 18. *Improperly obtained certificate.*—If at any time the board has reason to believe that a pension certificate has been improperly obtained, it shall cause special inquiry to be made, and may suspend payment of any or all installments pending the inquiry. If, on inquiry, it appears that the certificate was improperly obtained, it shall be canceled; but if it appears that the certificate was properly obtained the suspended installments shall be payable in due course.

SEC. 19. *Fraudulent act.*—Any person, who by means of a willful false statement or representation, or by impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any person to obtain—

(*a*) A pension certificate to which he is not entitled.

(*b*) A larger pension than that to which he is justly entitled.

(*c*) Payment of any forfeited installment.

(*d*) Or aids or abets in buying, or in any disposition of the property of a pensioner without the consent of the board, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding $500, or undergo imprisonment not exceeding one year, or both such fine and imprisonment, in the discretion of the court.

SEC. 20. *Violations.*—(*a*) Any person who violates any of the provisions of this act for which no penalty is specifically provided shall be subject to a fine not exceeding $500, or to undergo imprisonment not exceeding one year, or both, in the discretion of the court.

(*b*) Where a pensioner is convicted of an offense under the provisions of this act, the board shall cancel his certificate.

SEC. 21. *Pensions withheld.*—If any pensioner is convicted of any crime, misdemeanor, felony, or other offense, punishable by imprisonment for one month or longer the board shall direct that payment shall not be made during the period of imprisonment.

SEC. 22. *Right of appeal.*—In each case where an old-age pension has been allowed, refused or suspended, under the provisions of this act, by the board of county commissioners, an appeal may be taken to the district court from such decision by the applicant or by any tax-paying citizen, and such appeal shall be subject to the rules of procedure as in the case of appeal from the justice court.

SEC. 23. *No vested right.*—Every pension granted under the provisions of this act shall be deemed to be granted and shall be held subject to the provisions of any amended or repealing act that may hereafter be passed, and no recipient under this act shall have any claim for compensation, or otherwise, by reason of his pension being affected in any way by such amending or repealing act.

SEC. 24. *Gender.*—That wherever used in this act the masculine gender shall include the feminine.

SEC. 25. *Title of act.*—This act may be cited as the "old-age pension act" of the State of Nevada.

SEC. 26. *Reports.*—Within 30 days after the close of each calendar year, the board of county commissioners of each and every county in this State shall, through its clerk, make a report to the governor of the State, covering fully the administration and operation of this act for the preceding year, and shall particularly state therein:

(*a*) The total number of pensioners under this act.

(*b*) The total amount of cash paid out under its provisions, segregating therein the amounts paid out for pensions and the amount paid for expenses of administration.

(*c*) The total number of applications received during the year; and,

(*d*) The number granted, the number denied, the number canceled during the year, and such other and further information in regard to the operation of the law as the governor may request.

SEC. 27. *Void sections.*—Each section of this act and every part of each section are hereby declared to be independent sections and parts of sections, and the holding of any section or part thereof to be void and ineffective for any cause shall not be deemed to affect nor shall it affect any other section or any part thereof.

SEC. 28. *Construction of act.*—This act shall be considered an act additional to all acts respecting poor persons and particularly an act entitled "an act for the support of the poor," approved November 29, 1861, and shall be construed as an exercise of power by the legislature under the provisions of section 3 of article 13, Constitution of Nevada, in recognization [recognition] of the just claims of the inhabitants mentioned upon the aid of society, without thereby annexing the stigma of pauperism by legal definition.

(Approved March 18, 1925.)

New Hampshire

ACTS OF 1931

CHAPTER 165

SECTION 1. *Establishment of system.*—For the more humane care and relief of aged and dependent persons, a system of assistance is hereby established. Such assistance shall be administered in each county by the county commissioners as hereinafter provided, and the cost of such assistance, together with the expense occasioned thereby, shall in the first instance be paid by the county; but the county shall be reimbursed by each city or town legally chargeable for such assistance rendered, together with the expense occasioned thereby.

SEC. 2. *To whom applicable.*—Old-age relief or assistance shall be given to any person of the age of 70 years, who (*a*) is unable to support himself and has no children or other persons of sufficient ability to pay and responsible for his support under the laws of New Hampshire; (*b*) has been a citizen of the

United States for at least 15 years before making application for old-age assistance; (*c*) has been a resident of the particular county in which he makes application, for at least 15 years immediately preceding his application for relief, but continuous residence shall not be deemed to be interrupted by periods of absence therefrom if the total of such periods does not exceed three years: *Provided*, Such applicant shall not have gained a legal residence out of the State during the year previous to such application; and absence in military service of the State or of the United States shall not be deemed to interrupt residence in this State or any county thereof unless a domicile is acquired outside the State or county.

SEC. 3. *Persons excluded from act.*—Such assistance shall not be granted or paid to a person: (*a*) While an inmate of, or receiving the necessities of life from any charitable institution, maintained by the State or any of its political subdivisions, or of a private, charitable, benevolent, or fraternal institution, or home for the aged, except in the case of temporary medical or surgical care in a hospital; (*b*) if on account of his physical or mental condition he is in need of continued institutional care; (*c*) if the value of his property, or the value of the combined property, of husband and wife living together, exceeds $2,000; (*d*) who has deprived himself directly or indirectly of any property for the purpose of qualifying for old-age assistance; (*e*) who is at the time of making application or later an inmate of any prison, jail, or workhouse, infirmary, insane asylum, or other public correctional institution; (*f*) who during the period of 10 years immediately preceding such date has been imprisoned for a felony; (*g*) who (if a husband) has without just cause failed to support his wife and children under the age of 16 years for 6 months or more during the 10 years preceding the date of application for old-age assistance; (*h*) who has within one year preceding said application for such assistance been a habitual tramp, beggar, or drunkard.

SEC. 4. *Transfer of property.*—The county commissioners may require as a condition to the granting of such assistance, that all or any part of the property of an applicant be transferred to the commissioners of such county as trustees and such property shall be managed by said commissioners as trustees aforesaid, who shall pay the net income to the person or persons entitled thereto, after deducting all necessary expenses incurred in the management thereof. As trustees they shall have the power to sell, lease, or transfer such property or defend and prosecute all suits covering it, and to do all other things necessary for the protection, preservation, and management of the property.

SEC. 5. *Promulgation of regulations.*—The commissioners shall from time to time prescribe and promulgate rules and regulations necessary for the carrying out of the provisions of this act to the end that such relief may be extended in a humane and efficient manner. They shall make investigations and decisions as to the amount to be granted, if any, and their decision shall be final. Any applicant shall be entitled to a hearing and opportunity to present evidence before any decision becomes effective, provided he files a petition for hearing with the commissioners within 14 days after the date of application for aid. The commissioners shall fix the date of any such hearing to be within seven days after the petition is filed and notify the applicant and the applicant's guardian, if any, of the time and place of hearing. The decision of the commissioners shall be made 14 days from the date of application or earlier, if no hearing is asked, or within 7 days after the date of final hearing if hearing has been asked. Any applicant whose application has been rejected or allowance suspended or discontinued may not again apply for assistance until the expiration of 6 months from the date of his previous application or discontinuance. The commissioners shall also notify the selectmen of any town, or overseer of the poor or city clerk of any city in which such applicant resides, of any application for aid and shall give notice to such town or city official of the time and place of any hearing and of any decision rendered. Any regulations made by them shall be in addition to but not inconsistent with the following:

(*a*) *Application.*—An applicant must file written statement under oath, on forms prescribed by the commissioners, to the truth of all facts required.

(*b*) *Amount of aid.*—The amount to which any person shall be entitled shall be fixed with due regard to the conditions existing but in no event shall exceed when added to the income of the applicant from all other sources, the sum of $7.50 per week.

(c) *Certificate.*—The commissioners shall issue to each applicant to whom such assistance is allowed a certificate stating the date upon which payments shall commence and the date and amount of each installment, which shall be weekly or monthly; and shall require reports from the beneficiary at such times and in such manner as the commissioners shall determine.

(d) *Burial expenses.*—On the death of the beneficiary such reasonable funeral expenses for burial shall be paid to such person as the commissioners may direct: *Provided*, That the expenses do not exceed $125: *And provided further*, That the estate of the deceased is insufficient to defray said expenses.

(e) *Aid exclusive.*—During the continuance of such assistance no beneficiary shall receive any other relief from the State or from any political subdivision thereof, excepting medical and surgical assistance, and the acceptance of such relief shall operate as a revocation of assistance under this chapter.

(f) *Payment to guardian.*—If the beneficiary on the testimony of at least three disinterested and reputable witnesses, is found incapable of taking care of himself or his money, the county commissioners may direct payment of the installments of such assistance to any responsible person, guardian or corporation for his benefit, or may suspend payment for such period as shall be deemed advisable.

(g) *Exemption from attachment.*—Such assistance shall be exempt from attachments under chapter 332 of the Public Laws and from any tax levy of the State.

(h) *Revocation of aid.*—Such assistance shall be revoked if a beneficiary is convicted of any criminal offense or suspended or revoked if he fails to comply with the terms of this act but shall be paid in due course if it appears that such conviction was improperly obtained.

SEC. 6. *Repayment of aid.*—The administrator of the estate of any person assisted under the provisions of this act shall pay as a debt of the estate to the county, town, or city entitled thereto any sum paid for assistance to the person or such person's husband or wife together with 4 per cent interest, or such part thereof as the funds of the estate will permit, and any insurance payable to the estate shall be subject to a lien therefor and for funeral expenses not to exceed $125. If the insured leaves dependents who may become public charges, the county commissioners, as trustees, are authorized to waive any such claim in behalf of the county, city, or town entitled thereto. If the property transferred to the county commissioners as provided by section 4 exceeds the total amount of assistance rendered, with simple interest at 4 per cent, the remainder of such property or the proceeds thereof shall be returned to the beneficiary or his estate after the death of the beneficiary or the discontinuance of such assistance. The county commissioners, as trustees, are authorized to execute and deliver whatever instruments are necessary therefor.

SEC. 7. *Legal counsel.*—The attorney general or the county solicitor, at the request of the county commissioners, shall bring all necessary proceedings and represent and advise said officials in respect to any matters arising under this act.

SEC. 8. *Violations.*—Any person who, by means of willfully false statements or representation, or other fraud, attempts to obtain or aids any person in obtaining any assistance to which he is not entitled or in disposing of property of the beneficiary without the consent of the commissioners, or who violates any other provision of this act shall be fined not exceeding $500 or imprisoned not exceeding one year or both.

SEC. 9. *Disbursements.*—Unless otherwise arranged with the proper officials of towns and State, the county treasurer shall pay the money as ordered by the commissioners. Town and State officials whose duty it is to furnish assistance to those in need are hereby authorized to make such agreements with the commissioners as shall make the purposes of this act effective.

SEC. 10. *Keeping of records.*—All records, papers and other documents pertaining in any way to such assistance shall be maintained in a suitable and proper manner by said commissioners, who shall retain the same in their custody, and which may be opened to inspection by any person interested at any time.

SEC. 11. *Reports.*—On or before the first day of February in each year, the commissioners of each county shall make a written report for the preceding year to the mayor and city council of each city, and to the board of selectmen of each town to residents of which assistance has been rendered, said report to contain: (a) The total number of applications for assistance; (b) the amount paid out as assistance; (c) the total number granted, the number denied, the number canceled, the number chargeable to the county, and to each city and town, and such other information as may be deemed advisable. The names of those receiving assistance shall not be printed but such amounts shall be stated generally in any printed reports of town, county, or State, together with such other information as may be deemed useful for the information of the public.

SEC. 12. *Annual audit.*—The accounts of the commissioners as affected by the provisions of this act shall be examined and audited annually by the auditors of each county.

SEC. 13. *Beneficiary's right to select.*—No beneficiary shall be prevented from choosing the assistance provided by chapters 105, 106, and 107 of the Public Laws or other laws of this State, in lieu of the assistance provided by this chapter. No one receiving assistance under this chapter shall lose his settlement while receiving such assistance.

(Approved May 7, 1931; effective September 1, 1931.)

New Jersey

ACTS OF 1931

CHAPTER 219

SECTION 1. *Persons entitled to relief.*—Subject to the provisions of this act, every deserving poor person, residing in the State of New Jersey, 70 years of age or upwards, shall, while in the State of New Jersey be entitled to relief in old age from the State.

SEC. 2. *Conditions.*—Old-age relief shall be granted under this act to any person who—

(*a*) Has attained the age of 70 years.

(*b*) Is unable to maintain himself, either in whole or in part, and has no children or other persons able to support him or responsible under the laws of this State for his support.

(*c*) Is a citizen of the United States.

(*d*) Is a resident of and domiciled in the State of New Jersey, and has so resided and been domiciled therein continuously for at least 15 years immediately preceding the date of application, but continuous residence in the State shall not be deemed to have been interrupted by occasional periods of absence therefrom if the total of such periods of absence does not exceed 2 years, and during the 5 years immediately preceding the date of application has not removed from this State and remained therefrom for a period in the aggregate of 1 year.

(*e*) Is a resident of and domiciled in the county in which the application is made, and has so resided continuously for at least one year immediately preceding the date of application and has a legal settlement in a county of the State.

(*f*) Is not, because of his physical or mental condition, in need of continued institutional care.

(*g*) Has not made a voluntary assignment or transfer of property for the purpose of qualifying for such relief.

(*h*) Has never been convicted of a felony or high misdemeanor.

(*i*) If any recipient of old-age relief is convicted of any misdemeanor, or other offense, and punished by imprisonment, payments shall not be made during the period of imprisonment.

(*j*) Does not possess real or personal property in excess of $3,000.

SEC. 3. *Agency created.*—There is hereby created in the department of institutions and agencies, in accordance with the provisions of chapter 76, Laws of 1921, a division to be known as the division of old-age relief. The division of old-age relief shall be in charge of a qualified expert who shall be appointed by and receive the compensation fixed by the commissioner, with the approval of the State board, subject to appropriations made therefor. As chief of the division of old-age relief, such qualified expert shall be responsible for the investigation, determination and supervision of old-age relief furnished under this act. Said division of old-age relief shall prescribe a uniform system of records and accounts in relation to old-age relief to be kept by the county welfare board, and shall supervise the administration of old-age relief by said county welfare board to the end that there may be throughout the State a uniform standard of record and method of treatment of aged poor persons, based upon their individual needs and circumstances. The division of old-age relief shall have the power to and shall prescribe a form of application, the manner and form of all reports and such additional rules and regulations as are necessary for the carrying out of the provisions of this act, subject to the approval of the commissioner. All rules and regulations made by the division of old-age relief under this act shall be binding upon the county welfare boards as the county bureaus of old-age relief throughout the State.

SEC. 4. *County agency.*—In any county in this State in which there now is or may hereafter be established a county welfare board said county welfare board, in addition to their other powers and duties in relation to the settlement and relief of the poor, as provided by law, shall constitute the county bureau of old-age relief, and in each and every other county until such time as a county welfare board is established therein a county welfare board (for the supervision of old-age relief) shall be appointed by the board of chosen freeholders and constituted and composed as follows: Five citizens of each said respective county and not holding the office of freeholder, at least two of whom shall be women, to be appointed by the board of chosen freeholders, who, with two designated members of the board of chosen freeholders and the county adjuster, when not serving as director of old-age relief, as ex-officio members shall constitute the county welfare board. Members shall hold their offices for five years, except that the first appointments shall be respectively for one, two, three, four, and five years, which terms as to duration shall be in the order of appointments as made and indicated. Vacancies in such offices shall be filled for the unexpired term only. The holding of any other office by any member of said county welfare board shall not constitute such holding as incompatible with his office as member of such county welfare board. They shall meet regularly once each month, and such other times as may be necessary or as they may by rule provide. They shall receive no compensation for their services, but shall be allowed their actual and necessary expenses, on the approval of the director of the board of chosen freeholders, all of which shall be audited and paid in the same manner as other expenses are paid in and for such county. Said county welfare boards are hereby authorized and empowered and it shall be their duty to receive and act upon applications for relief under and in accordance with this act, and to do all other acts and things necessary in connection with the same, for the purpose of administering and carrying out the provisions of this act, as herein provided. Funds for the administration of this act, and the payment of old-age relief granted, thereunder, shall be provided by the board of chosen freeholders of each and every county as hereinafter provided. Said county welfare board shall elect from among its members a president, vice president, and secretary-treasurer. The director of old-age relief appointed as herein provided shall not be a member of the board, and shall hold office for the term of five years or until appointment of his successor, unless sooner removed for cause, after due notice and hearing. Said county welfare board shall appoint such other officers, assistants, and employees as may be necessary to carry out the provisions of this act. They shall fix the salaries of the director of old-age relief and such officers, assistants, and employees within the limits of the appropriation made therefor by the board of chosen freeholders, and such salaries shall be compensation in full for all services rendered. The director of old-age relief, officers, assistants, and employees shall be subject to such rules and regulations in the discharge of their duties as may be provided by said county welfare board. All employees of the county welfare board shall hold their office or employment during good behavior, and may be removed upon written charges and after a hearing, due notice of which shall be given therefor by the county welfare board, for misconduct, neglect, or incompetency.

SEC. 5. *Appointment of director.*—Said county welfare board shall appoint, subject to the approval of the board of chosen freeholders, a director of old-age relief, who shall have the qualifications as herein provided. The county adjuster when qualified may be appointed for this office, but when so appointed shall not serve as an ex-officio member of the county welfare board.

The director of welfare shall be the clerk of said bureau of old-age relief and shall serve as such without additional compensation.

The director of old-age relief shall be a citizen of the State and of the United States; such appointee shall be able to read and write the English language, and be capable of making and keeping such records and reports as are lawfully required of him, and shall have complete knowledge of the laws concerning old-age relief and shall be a trained and qualified expert in the field of welfare service, with administrative experience therein; the county welfare board may appoint a deputy director of old-age relief, who shall have resided at least one year in the State, and have other like qualifications as those necessary to the appointment of directors of old-age relief, and be under the direction of such director of old-age relief, and be vested on approval of the county welfare board with the same power as a director of old-age relief in the distribution of relief, with like authority for the prosecution or defense in court proceedings as is now vested in a director of old-age relief.

SEC. 6. *Providing for relief.*—It shall be the duty of the county welfare board as the bureau of old-age relief to provide adequately for those eligible for old-age relief under the provisions of this act. The amount and nature of relief which any such person shall receive, and the manner of providing it, shall be determined by the county welfare board as the bureau of old-age relief with due regard to the conditions existing in each case, in accordance with the rules and regulations made by the division of old-age relief, but in no case shall it exceed the rate of $1 a day. Whenever practicable relief may be granted in the form of cash or a check. The relief granted under this act shall be provided for the recipient in his own or some other suitable family home: *Provided,* That the county in which such person has a legal settlement shall be chargeable for the relief provided for in this act: *And be it further provided,* That where it appears that the legal settlement of the applicant is in a county other than the one in which the application is made, it shall be referred to the county adjuster, who shall refer it to the county in which the legal settlement of the applicant appears to be, and the said county adjuster shall proceed in the same way and manner to obtain the consent of the said county to accept the chargeability for the said applicant for old-age relief as is provided for in an act entitled "An act concerning the charitable, correctional, reformatory and penal institutions, boards and commissions, located and conducted in this State which are supported in whole or in part from county, municipal, or State funds," approved February 28, 1918, and the various amendments and supplements thereto. In the event, however, the said counties can not agree as to the legal settlement of the said applicant, then it shall be referred to the court having jurisdiction, in the county wherein the application was made for a judicial finding as to legal settlement in accordance with the procedure provided for in the said act aforementioned and the said judicial finding shall be binding upon both counties.

SEC. 7. *Property transfer.*—If any county bureau of old-age relief shall deem it necessary, it may, with the consent of the division of old-age relief, require as a condition to the grant of continuance of relief in any case, that all or any part of the property, either real or personal, of a person applying for relief be transferred to said county upon the order of the court of common pleas. Such property shall be managed by said county bureau of old-age relief under the direction of the board of chosen freeholders, which shall pay the net income thereof to such person; said bureau of old-age relief under the direction of the board of chosen freeholders shall have the power to sell, lease, or transfer such property or defend and prosecute all suits concerning it and to pay all just claims against it and do all things necessary for the protection, preservation, and management thereof. If, in the event such relief is discontinued during the lifetime of such person, the property thus transferred to the county bureau of old-age relief exceeds the total amount paid as relief under this act, the remainder of such property shall be returned to such person, and in the event of his death such remainder shall be considered as the property of the deceased for proper administration proceedings. The county bureau of old-age relief shall execute and deliver all instruments necessary to give effect to this section.

SEC. 8. *Burial expenses.*—If, on the death of the recipient of old-age relief, it shall appear to the satisfaction of the county welfare board as the bureau of old-age relief that his estate is insufficient to pay his funeral expenses, the county welfare board shall have the power to order the payment of the installment of old-age relief then accruing and such additional sum as may be necessary, not exceeding the total sum of $100, to such person as the county welfare board may direct for the funeral expenses of the deceased aged poor person.

SEC. 9. *Appropriation by county.*—Subject to partial reimbursement by the State, as hereinafter provided, each county welfare board shall furnish old-age relief provided for in this act to the persons eligible thereto who reside in its jurisdiction. Each board of chosen freeholders shall annually appropriate and make available to the order of the respective county welfare boards as the bureaus of old-age relief such a sum as may be needed for old-age relief, together with a sufficient sum to defray administrative expenses to be incurred in connection therewith and include such sums in the taxes to be levied in the territory responsible for such old-age relief. Should the sum so appropriated, however, be expended or exhausted during the year and for the purpose for which it was appropriated, additional sums shall be appropriated by such board of chosen freeholders as occasion demands to carry out the provisions of this act from funds in the county treasury available therefor. Where such county funds are not available or adequate, or should there be no such county funds, such additional sums shall be raised by temporary loans or notes, certificates of indebtedness, or temporary loan bonds, to be issued as otherwise provided and limited by law for counties of this State, and the amounts necessary to pay such obligations shall be placed in the budget for the next ensuing fiscal year.

SEC. 10. *Reimbursement by the State.*—The State shall reimburse each county to the extent of three-fourths of the amount expended for relief for each aged poor person which has been granted under the provisions of this act and in accordance with the rules of the division of old-age relief.

SEC. 11. *Claims for same.*—Claims for reimbursement under this act shall be presented quarterly by the board of chosen freeholders of the respective counties through the division of old-age relief to the comptroller of the treasury in January, March, July, and September.

SEC. 12. *Approval of same.*—The approval of such claims for said reimbursement shall be made by the division of old-age relief to the extent of three-fourths of the payments made in accordance with the provisions of this act and the rules of the division of old-age relief. The division of old-age relief shall certify to the comptroller of the treasury the amount to which each county is entitled. The amount so certified shall be paid from the State treasury upon the audit and warrant of the comptroller to the fiscal officers of the respective counties entitled thereto from moneys made available as hereinafter provided.

SEC. 13. *Appropriation by State.*—The governor shall fix and determine and state in his annual budget message a sum sufficient to pay the estimated amount of the State's share of the old-age relief reimbursement, together with any deficiencies, if any, incurred in any previous year. The legislature shall include the amount so determined and stated in the annual appropriation bill. For the payment of said amount there is hereby dedicated annually so much of the moneys received under the provisions of an act entitled "An act to tax the transfer of property of residents and nonresident decedents, by demise, bequest, descent, distribution by statute, gift, deed, grant, bargain and sell, in certain cases," approved April 20, 1909, and the several supplements and amendments thereto hereinafter collectively referred to as the inheritance tax.

SEC. 14. *Inheritance tax revenue.*—For the payment of the State's share of old-age relief as herein provided, there is hereby further dedicated all moneys hereafter received by the State treasurer pursuant to the aforesaid inheritance tax after deducting therefrom annually (1) the amount annually determined and stated by the governor as aforesaid, and (2) the sum of $12,000,000 per annum which is hereby reserved for the general treasury funds of the State. The surplus, if any, then remaining and thus dedicated shall constitute a separate fund which shall be invested and reinvested from time to time by the statehouse commission in such securities as are lawful for investment by trustees. The custody of said fund and the income thereof shall be entrusted to the State treasurer. The income from said fund shall be available for and devoted to the payment of the State old-age relief as provided in this act and shall, to the extent thereof, be used for the payment of such relief in lieu of the moneys to be annually determined and stated by the governor as aforesaid. For this purpose the governor shall include in his budget message such a statement of income and the same shall be deducted from mandatory appropriation by the legislature as aforesaid: *Provided, however,* That if the income from the said fund hereby created shall be sufficient to wholly defray the State's share of old-age relief, then such income shall be used for that purpose in the first instance and any excess thereof shall become a part of the corpus of said fund.

SEC. 15. *Legislative intent.*—It is the intent of the legislature that the State's share of old-age relief, as provided in this act, shall be provided from the revenue produced by the inheritance tax, and that the first moneys received in any one year from that source shall be dedicated to that purpose, and that after sufficient funds have been so accumulated then the sum of $12,000,000, if so much further shall be received, shall be available for appropriations to general State purposes, and that any surplus of inheritance tax revenue then remaining shall become a capital fund to be invested as herein provided, the income from which shall be used in the first instance to pay the State's share of old-age relief pensions, and that such capital fund be accumulated until such fund alone will yield sufficient income to pay all of the State's share of such old-age relief.

SEC. 16. *Application for relief.*—An applicant for old-age relief shall make his application therefor to the county welfare board as the bureau of old-age relief for the county in which the applicant resides. The person requesting relief may apply in person or the application may be made by another in his behalf. The application shall be made in writing or reduced to writing, in manner and form prescribed by the division of old-age relief. All statements in the application shall be verified under oath by the applicant.

SEC. 17. *Investigation of same.*—Whenever the county welfare board as the bureau of old-age relief receives an application for relief, an investigation and record shall be promptly made of the circumstances of the applicant. The object of such investigation shall be to ascertain the facts supporting the application made under this act and such other information as may be required by the rules of the division of old-age relief. Upon the completion of such investigation the county welfare board shall decide whether the applicant is eligible for and should receive old-age relief under this act, the amount and nature of relief, the manner of paying or providing it, and the date on which such relief shall begin. It shall notify the applicant of its decision in writing. The county welfare board shall at once report to the division of old-age relief its decision in each case together with copies of the application and record of investigation. Such decision shall be final: *Provided, however,* That where an application is not acted upon by the county welfare board within 30 days after the filing of the application or is denied or the grant is deemed inadequate either by the division of old-age relief or by the applicant the applicant may appeal to the division of old-age relief by filing a petition with the division of old-age relief, setting forth the facts in full as to the necessity of such relief, verified by five reputable citizens of the county, and if the appeal is sustained by the division of old-age relief the payments of relief in the amounts determined by said division must be paid by said county as herein provided.

SEC. 18. *Reapplication.*—An applicant whose application for relief under this act has been rejected may not again apply for such relief until the expiration of six months from the date of the previous application. If the application for relief be granted, the county welfare board shall report the fact to the auditor of the county. All payments of relief under this act shall be made monthly by the treasurer of the county in the manner provided by law for payment of claims against the county to the county welfare treasurer, who shall disburse the relief herein provided, either in cash or by check, monthly, semimonthly, or as otherwise provided by the regulations of the welfare board. All relief under this act shall be renewed every six months on verified applications, and after such further investigation as the county welfare board may deem necessary, and the amount of relief may be changed if the county welfare board finds that the recipient's circumstances have been changed. It shall be within the power of the county welfare board to cancel and revoke old-age relief for cause, and it may for cause suspend payments for old-age relief for such periods as it may deem proper.

SEC. 19. *Improperly granted relief.*—Any person who has knowledge that old-age relief is being improperly granted or administered under this act may file a complaint in writing with the division of old-age relief setting forth the particulars of such violation. Upon receipt of such complaint the division of old-age relief shall make an investigation of the allegations set forth in such complaint, or if at any time the division of old-age relief has reason to believe that relief to the aged poor persons has been improperly granted it shall cause an investigation to be made. It may suspend payment of any installment pending an investigation. It shall notify the county welfare board of any such proposed investigation. If it appears as a result of any such investigation that the old-age relief was improperly granted, such old-age relief shall be canceled by the division of old-age relief, which shall immediately notify the county welfare board that it will not approve any payment made after such suspension, but if it appears as a result of such investigation that relief was obtained properly the suspended payments of relief shall be payable.

SEC. 20. *Fraudulent acts.*—Any person who by means of a false statement or representation or by impersonation or other fraudulent device obtains or attempts to obtain or aids or abets any person to obtain old-age relief to which he is not entitled, or a larger amount of relief than that to which he is justly entitled, or payment of any forfeited installment grant; or knowingly aids or abets in buying or in any way disposing of the property of an applicant without the consent of the county welfare board, shall be guilty of a misdemeanor and punished accordingly.

SEC. 21. *Violations.*—Any person who knowingly violates any provision of this act for which no penalty is specifically provided shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than $1,000, or imprisoned for not more than one year, or by both such fine and imprisonment.

SEC. 22. *Periodic reconsideration of relief.*—All old-age relief under this act shall be reconsidered from time to time, or as frequently as may be required by the rules of the division of old-age relief. After such further investigation as the bureau of old-age relief may deem necessary or the division of old-age relief may require, the amount and manner of giving relief may be changed or the relief may be withdrawn if such county welfare board finds that the recipient's circumstances have changed sufficiently to warrant such action. It shall be within the power of the county welfare board as the bureau of old-age relief at any time to cancel and revoke old-age relief for cause, and it may for cause suspend payments for relief for such periods as it may deem proper, subject to review by the division of old-age relief, as provided in section 14 of this act.

SEC. 23. *Reports.*—Each county welfare board as the bureau of old-age relief shall report to the division of old-age relief at such times and in such manner and form as the division may prescribe, the number of applications granted and the grants of old-age relief changed, revoked, or suspended under this act by such county welfare board, together with copies of all applications and supporting affidavits received and a statement of the action of such county welfare board thereon, and shall report the amount of relief to aged poor persons paid out under this act by the county welfare board as the bureau of old-age relief, and make such other reports as the division of old-age relief may require either by rules or requests in individual cases.

SEC. 24. *Relief from other sources.*—A person 70 years of age or more not receiving old-age relief under this act is not by reason of his age debarred from receiving public relief and care under the provisions of any other law, but no recipient of old-age relief, while receiving the same, shall receive any other relief from the State or any political subdivision thereof except for medical and surgical assistance.

SEC. 25. *Relief inalienable.*—All amounts paid as old-age relief shall be exempt from any tax levied by the State or by any subdivision thereof, and exempt from levy and sale, garnishment, attachment, or any other process whatsoever and shall be inalienable in any form, and in case of bankruptcy shall not pass to the trustee or other person acting on behalf of the creditors of the aged poor person.

SEC. 26. *Construction of act.*—Nothing in this act shall be construed as repealing any other act or part of an act providing for the settlement and relief of the poor except in so far as inconsistent therewith, and that the provisions of this act shall be construed as an additional method of supporting and providing for aged poor persons. This act shall be liberally construed. Any part or parts of this act which may be found to be invalid or unconstitutional shall be severable, and the remainder of the act shall stand and the provisions contained in this act shall not be construed to be exclusive and shall not be construed to repeal other provisions of the law not inconsistent herewith. Any particular grant of power contained in this act shall be held to be in specification but not in limitation of general powers. Nothing in this act shall operate to repeal or nullify the provisions of an act entitled "An act regulating the employment, tenure, and discharge of certain officers and employees of this State and of the various counties and municipalities thereof, and providing for a civil service commission and defining its powers and duties," approved April 10, 1908, and the acts supplementary thereto and amendatory thereof.

SEC. 27. *Pauperism.*—No person receiving relief under this act shall be deemed to be or classified as a pauper by reason thereof.

SEC. 28. *Effective date.*—This act shall take effect January 2, 1932, but applications for relief thereunder shall not be made before April 1, 1932, and relief shall not be granted to begin before July 1, 1932.

(Approved April 24, 1931.)

New York

CONSOLIDATED LAWS (CAHILL'S) 1930

CHAPTER 49½

ARTICLE XIV-A

SEC. 122. *Establishment of relief.*—The care and relief of aged persons who are in need and whose physical or other condition or disabilities seems to render permanent their inability to provide properly for themselves is hereby declared to be a special matter of State concern and a necessity in promoting the public health and welfare. To provide such care and relief at public expense, a state-wide system of old-age relief is hereby established, to operate in a uniform manner with due regard to the varying living conditions and costs of living. As hereinafter provided, such old-age relief shall be given by the city and county public welfare districts and by such other cities as may elect to administer old-age relief, subject to partial reimbursement by the State and to supervision by the State department of social welfare. When used in this article, the terms "public welfare district" shall include any city forming part of a county public welfare district electing to administer old-age relief and the term "State department" shall mean the State department of social welfare. Other provisions of this chapter, not inconsistent with this article, shall be applied and used in carrying out the provisions of this article. The provisions of any city charter or other local or special act forbidding outdoor relief or which are inconsistent with the provisions of this article shall not apply to the relief provided for by this article, nor impair nor limit the state-wide operation of this article according to its terms. The term "relief" whenever used in this article shall be construed to include assistance, aid, care, or support.

SEC. 123. *To whom applicable.*—Old-age relief shall be given under this article to any person who—

1. Has attained the age of 70 years.
2. Is unable to support himself, either in whole or in part, and has no children or other person able to support him and responsible under the provisions of this chapter for his support.
3. Is a citizen of the United States.
4. Has been a resident of the State of New York for at least 10 years immediately preceding his application for old-age relief.
5. Has resided in and been an inhabitant of the public welfare district in which the application is made for at least one year immediately preceding the date of application.
6. Is not at the time an inmate of any public or private home for the aged, or any public home, or any public or private institution of a custodial, correctional, or curative character, except in the case of temporary medical or surgical care in a hospital.
7. Has not made a voluntary assignment or transfer of property for the purpose of qualifying for such relief; and
8. Is not because of his physical or mental condition in need of continued institutional care.

SEC. 124. *Amount of relief.*—It shall be the duty of public welfare officials to provide adequately for those eligible for old-age relief under the provisions of this article. The amount and nature of the relief which any such person shall receive, and the manner of providing it shall be determined by the public-welfare official with due regard to the conditions existing in each case, in accordance with the rules and regulations made by the State department. Relief may include, among other things, medical and surgical care and nursing. Whenever practicable relief may be granted in the form of cash or a check. The relief granted under this article shall, whenever practicable, be provided for the recipient in his own or some other suitable family home.

SEC. 124-a. *Application.*—A person requesting relief under this article shall make his application therefor to the public welfare official of the public welfare district in which the applicant resides. An inmate of a public or private home for the aged, or of any public home, or of any public or private institution of a correctional, custodial, or curative character may make an application while in such a home or institution, but the relief, if granted, shall not begin until after he ceases to be such an inmate. The person requesting relief may apply in person, or the application may be made by another in his behalf. The application shall be made in writing or reduced to writing, and it shall specify that it is made for old-age relief under the provisions of article 14–a of the public welfare law.

Sec. 124–b. *Welfare district.*—Subject to partial reimbursement by the State as hereinafter provided, each public welfare district shall furnish the old-age relief provided for in this article to the persons eligible thereto who reside in its territory. A city forming part of a county public welfare district may, by resolution of its legislative body adopted by majority vote of all of its members, elect to furnish such old-age relief to the persons eligible thereto residing in the city. A copy of such resolution shall be filed within 10 days after its adoption with the clerk of the county in which such city is located and with the State department. Such a resolution shall take effect on the 1st day of September following its adoption, and no relief granted pursuant thereto shall begin before the 1st day of January after the resolution takes effect. Such a city shall have all the powers and duties relative to old-age relief under this article conferred on a public welfare district, including the right to partial reimbursement by the State. On and after such 1st day of January the county public welfare district in which such city is located shall not include such city in so far only as administration of such old-age relief and levying of taxes therefor are concerned. Nothing contained in this chapter shall be construed to authorize or require that any part of the amounts expended by a county public welfare district for relief under this article shall be charged back to a town or city.

Sec. 124–c. *Appropriation.*—The legislative body of the public welfare district shall annually appropriate and make available to the order of the public welfare official such a sum as may be needed for old-age relief, together with a sufficient sum to defray administrative expenses to be incurred in connection therewith and include such sums in the taxes to be levied in the territory responsible for such old-age relief. Should the sum so appropriated, however, be expended or exhausted, during the year and for the purpose for which it was appropriated, additional sums shall be appropriated by such legislative body as occasion demands to carry out the provisions of this article. In cities, such additional sums shall be paid from unexpended balances not required by law to be expended for a specific purpose, or from contingent funds where such exist. Where such shall be raised by temporary loans or notes, certificates of indebtedness or other obligations and the amount necessary to pay such obligations shall be included in the next annual tax levy. In counties, such additional appropriations shall be paid from funds in the county treasury available therefor, except that if only part of the county constitutes a county public welfare district, only the funds of such public welfare district shall be appropriated, and then only to the extent of any excess thereof not needed for the purposes of the public welfare district under other provisions of this chapter. Should there be no such county funds, or county public welfare district funds available therefor, the county treasurer shall borrow a sufficient sum to pay such appropriations in anticipation of taxes to be collected therefor within the county public welfare district.

Sec. 124–d. *Reimbursement by State.*—The public welfare official shall keep such records and accounts in relation to old-age relief as the State department shall prescribe. The State shall reimburse each public welfare district to the extent of one-half of the amount expended for relief for each aged person which has been granted under the provisions of this article and in accordance with the rules of the State department. The State shall also reimburse the public welfare district for one-half of the salary paid to and one-half of the traveling expenses of any person employed by the public welfare official for the purpose of administering old-age relief under this article, provided the manner in which he has performed his duties conforms to the rules of the State department. If the department shall so determine in any case, other expenses of a public welfare district may be allowed under this article in such amount as the department may determine, and the State shall also reimburse the district to the extent of one-half thereof. If a person shall be

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employed only for part time in the administration of old-age relief, reimbursement shall be limited to one-half the salary for the time spent in administration of old-age relief.

SEC. 124-e. *Claims for reimbursement.*—Claims for State reimbursement under this article shall be presented by the respective public welfare districts to the State department semiannually, in January and July. For the purposes of the annual departmental estimates for the executive budget, the probable amount needed for expenditure by the State under this article shall be regarded as financial needs of the State department of social welfare.

SEC. 124-f. *Approval of claims.*—The approval of such claims shall be made by the State department to the extent of one-half of the payments made in accordance with the provisions of this article and the rules of the State department. The State department shall certify to the comptroller the amounts so approved by it, specifying the amount to which each public welfare district is entitled. The amounts so certified shall be paid from the State treasury upon the audit and warrant of the comptroller to the fiscal officers of the counties and cities entitled thereto, from moneys available therefor by appropriation.

SEC. 124-g. *Investigation of applicant.*—Whenever a public welfare official receives an application for relief, an investigation and record shall be promptly made of the circumstances of the applicant. The object of such investigation shall be to ascertain the facts supporting the application made under this article and such other information as may be required by the rules of the State department.

SEC. 124-h. *Granting of aid.*—Upon the completion of such investigation the public welfare official shall decide whether the applicant is eligible for and should receive old-age relief under this article, the amount and nature of relief, the manner of paying or providing it and the date on which relief shall begin. He shall make an award which shall be binding upon the city or county and be complied with by such city or county until modified or vacated. He shall notify the applicant of his decision in writing. The public welfare official shall at once report to the State department his decision in each case, together with copies of the application and record of investigation. Such decision shall be final: *Provided, however,* That where an application is not acted upon by the public welfare official within 30 days after the filing of the application or is denied or the grant is deemed inadequate, either by the State department or by the applicant, the latter may appeal to the State department. The State department shall upon receipt of such an appeal review the case. The State department may also, upon its own motion, review any decision made, or any case in which a decision has not been made by the public welfare official within the time specified. The State department may make such additional investigation as it may deem necessary, and shall make such decision as to the granting of relief and the amount and nature of relief to be granted the applicant as in its opinion is justified and in conformity with the provisions of this article. All decisions of the State department shall be binding upon the city or county involved and shall be complied with by the public welfare official of the public welfare district.

SEC. 124-i. *Revocation, etc., of aid.*—Any person who has knowledge that old-age relief is being improperly granted or administered under this article may file a complaint in writing with the State department setting forth the particulars of such violation. Upon receipt of such complaint, the State department shall make an investigation of the allegations set forth in such complaint, or, if at any time the State department has reason to believe that relief to the aged has been improperly granted, it shall cause an investigation to be made. It shall notify the public welfare official of any such proposed investigation. If it appears as a result of any such investigation that the relief was improperly granted, the State department shall immediately notify the public welfare official, that it will not approve any payment made thereafter.

SEC. 124-j. *Periodic review of aid.*—All relief under this article shall be reconsidered from time to time, or as frequently as may be required by the rules of the State department. After such further investigation as the public welfare official may deem necessary or the State department may require, the amount and manner of giving relief may be changed or the relief may be withdrawn if such official finds that the recipient's circumstances have changed sufficiently to warrant such action. It shall be within the power of the public welfare official at any time to cancel and revoke relief for cause, and it may for cause suspend payments for relief for such periods as it may deem proper, subject to review by the State department, as provided in section 124–h.

SEC. 124–k. *Reports.*—Each public welfare official shall report to the State department at such times, and in such manner and form as the department may prescribe, the number of applications granted and the grants of relief changed, revoked or suspended under this article by such official, together with copies of all applications and supporting affidavits received and a statement of the action of such official thereon, and shall report the amount of relief to the aged paid out under this article by the public welfare district, and make such other reports as the State department may require either by rules or requests in individual cases.

SEC. 124–l. *Administration.*—The State department of social welfare shall supervise the administration of old-age relief under this article by the public welfare officials. The State department shall prescribe the form of and print and supply to the public welfare officials blanks for applications, reports, affidavits and such other forms as it may deem advisable. The State department is hereby authorized to and shall make rules and regulations necessary for the carrying out of the provisions of this article to the end that old-age relief may be administered uniformly throughout the State, having regard for the varying costs of living in different parts of the State and that the spirit and purpose of this article may be complied with. All rules and regulations made by the State department under this article shall be binding upon the public welfare officials and the public welfare districts.

SEC. 124–m. *Assignability, etc.*—All relief given under this article shall be inalienable by any assignment or transfer and shall be exempt from levy or execution under the laws of this State.

SEC. 124–n. *Expenses of act.*—All necessary expenses incurred by a county or city in carrying out the provisions of this article shall be paid by such county or city in the same manner as other expenses of such county or city are paid, subject to partial reimbursement by the State from appropriations made by the legislature for this purpose.

SEC. 124–o. *Violations.*—Any person who by means of a false statement or representation, or by impersonation or other fraudulent device, obtains or attempts to obtain, or aids or abets any person to obtain old-age relief to which he is not entitled, or a larger amount of relief than that to which he is justly entitled, shall be guilty of a misdemeanor unless such act constitutes a violation of a provision of the penal law of the State of New York in which case he shall be punished in accordance with the penalties fixed by such law.

SEC. 124–p. *Saving clause.*—A person 70 years of age or more not receiving an old-age relief under this article is not by reason of his age debarred from receiving public relief and care under other provisions of this chapter.

(Approved, April 10, 1930.)

Utah

ACTS OF 1929

CHAPTER 76

SECTION 1. *Funds provided.*—The board of county commissioners of each county, hereinafter called the "board," in addition to their other powers and duties in relation to the support of the poor provided by law shall have the power to provide funds in the county treasury for the purpose of carrying out the provisions of this act.

SEC. 2. *Amount of pension.*—The board shall have the power to grant a monthly pension in such amount as the board shall determine, not to exceed $25 per month, to be paid out of the county treasury to any person who has attained the age of 65 years, and is incapacitated to gain a livelihood, is and for 5 years immediately preceding his application, has been an actual bona fide resident of the county, provided the applicant shall establish to the satisfaction of the board that he possesses the qualifications prescribed in the next section.

SEC. 3. *Qualification of applicant.*—All applications for old-age pensions shall be made in writing upon blanks to be furnished by the county auditor and shall be signed and verified under oath by the applicant and supported by the affidavits of two reputable citizens of the county to the effect that they are acquainted with the applicant, stating the length of time they have known him, and that they believe the statements made in the application are true. The application shall show that the applicant:

(*a*) Is, and for 15 years last past, has been a citizen of the United States.

(*b*) Is, and for 15 years last past has been a resident of this State, or has been a resident of this State for 25 years and has resided therein continuously for 5 years last past: *Provided*, If 15 years' residence is claimed, it shall not be deemed to be interrupted by occasional absence from the State, if the total period of absence does not exceed 3 years, or the absence occurred while the applicant was in the employ of the United States or of this State.

(*c*) Has not during 10 years last past been imprisoned upon conviction of a felony or indictable misdemeanor.

(*d*) If a husband has not during 15 years last past deserted or without just cause failed to provide adequate means for the support of his wife, or neglected to maintain and provide for the support of such of his children as were under 15 years of age, for a period of 6 months, and if a wife has not during 15 years last past deserted her husband or such of her children as were under 15 years of age, without just cause.

(*e*) Has not within one year last past been a vagrant or a beggar.

(*f*) Has not during the year last past had an income exceeding $300 which income shall be computed by adding to the actual income 5 per cent of the fair cash market value of all property owned by the applicant.

(*g*) Has not directly or indirectly disposed or deprived himself of any property for the purpose of reducing his computed income and qualifying for an old-age pension.

(*h*) Has no relative responsible for his support under the law who is able to support him.

SEC. 4. *Application form.*—The application shall state the name of the applicant, the place and date of his birth, and, if a naturalized citizen, the place and date of his naturalization; his present place of residence and post-office address and the length of residence at such place; the places of his residence for 25 years last past and the length of residence at each place; whether married or single and if single whether a bachelor, spinster, widowed, or divorced and the length of time widowed or divorced; an inventory of all real and personal property owned, with the value of each item, and whether separate or community; the amount of income for one year last past and the source thereof; whether ever imprisoned upon conviction of a felony or an indictable misdemeanor and if so when; the name, age, and place of residence of husband or wife, if any; the names, ages, and places of residence of all children, grandchildren, brothers, and sisters; his general state of health and whether deaf, blind, crippled, or otherwise incapacitated for his usual occupation, and the nature and extent of any incapacity claimed.

SEC. 5. *Filing of application.*—The application shall be filed with the clerk of the board and shall come on for hearing before the board at the next ensuing regular session. The board shall have the power to require the applicant to appear in person at the hearing and testify under oath as to all matters contained in the application and such other matters, touching his need for support in the form of a pension as it may deem necessary, and to subpœna and hear the testimony of witnesses in support of or against the granting of the application, and may adjourn each hearing from time to time for not to exceed 60 days from the date of filing the application.

SEC. 6. *Denial of application.*—Upon the conclusion of the hearing the board shall enter an order in its minutes denying the application and the grounds therefor, or granting a monthly pension to the applicant in such amount not exceeding $25 per month, and for such length of time not exceeding one year, as to the board shall seem just and reasonable, and the board shall have the power to impose as a condition to such grant that the applicant shall assign and transfer to the county the whole or such portion of his property as the board shall deem adequate, as security for the repayment of the amount paid as a pension together with interest, as hereinafter provided.

SEC. 7. *Order granting pension.*—The order granting a pension shall state the name, age, and place of residence of the applicant, the amount of the monthly pension, the date when such pension shall begin, and shall authorize the county auditor to draw his warrant upon the county treasurer for such payments to the applicant, or to such person as the board may designate, for the use of the applicant, out of the current expense fund of the county.

SEC. 8. *Renewal.*—On or before the expiration of one year from the date of an order granting an old-age pension, and at the expiration of each year thereafter, unless the pension has been canceled by order of the board or the recipient has died, the board, after such hearing and investigation as it shall deem necessary, shall have the power to enter an order renewing such pension for the ensuing year, in which order the amount of monthly allowance may be decreased, or increased to any sum not exceeding $25 per month, as to the board may seem just.

SEC. 9. *Revocation.*—If at any time the recipient of an old-age pension, or the husband or wife of such recipient, shall become possessed of any property or income in excess of that owned or being received at the date of the application, or if at any time any relative of the recipient responsible in law for his support shall become able to support him in whole or in part, it shall be the duty of the recipient to immediately notify the board in writing of the facts in the case, and the board, upon such notification or upon learning the facts from any source, shall have the power, and it shall be its duty, to investigate the matter and cancel, or reduce, the amount of the pension as the facts may warrant.

SEC. 10. *Recovery in case of fraud.*—If at any time before or at the death of the recipient of an old-age pension, it shall appear to the board that at the date of the application the applicant was possessed of property or income in excess of that stated in his application, or that subsequently he became possessed of additional property income and failed to notify the board thereof, and that such excess or additional property or income was of sufficient amount to have prevented the granting or warranted the cancellation of the pension, the board shall have the right to recover from the recipient or his estate by civil action in the name of the county, double the total amount of all pension payments made by reason of the fraudulent concealment.

SEC. 11. *Burial expenses.*—If on the death of the recipient of an old-age pension, it shall appear to the satisfaction of the board that his estate is insufficient to pay his funeral expenses, the board shall have the power to order the payment of the installment of pension then accruing and such additional sum as may be necessary, not exceeding the total sum of $100, to such person as the board may direct for the funeral expenses of the deceased pensioner.

SEC. 12. *Claim against estate.*—At the death of the recipient of an old-age pension or the surviving husband or wife of the recipient, the county shall have a claim against the estate of the recipient or survivor for the amount of pension payments made, together with 5 per cent interest from the dates of payment, such claim shall be preferred to all claims against said estate except taxes, expenses of last sickness, and funeral expenses, which claim when collected shall be paid into the country treasury.

SEC. 13. *Receiving of other aid.*—No recipient of an old-age pension, while receiving the same, shall receive any other aid from the State or any political subdivision thereof except for medical and surgical assistance.

SEC. 14. *Assignability, etc., of pension.*—Old-age pensions shall be inalienable by voluntary or involuntary assignment, transfer, sale attachment, execution, or otherwise, and in case of bankruptcy shall not pass to the trustee or other person acting on behalf of the creditors of the pensioner.

SEC. 15. *False representations.*—Every person who knowingly makes any false statement or representation or impersonates another person, with the intent to obtain or for the purpose of obtaining an old-age pension or increase thereof for himself or another, or obtains or attempts to obtain, or aids or abets in obtaining an old-age pension or increase thereof for himself or another by means of any false statement, representation, or impersonation, or aids or abets in the buying, selling, or in any way disposing of any property belonging to the recipient of an old-age pension, without the consent of the board granting the pension, shall be guilty of violating this section and his pension shall be canceled and he shall be disqualified from applying for an old-age pension for a period of one year from the date of the cancellation.

SEC. 16. *Conviction of crime.*—If any recipient of an old-age pension shall be convicted of a crime and punished by imprisonment, the board shall suspend the payment of the installments of pension during such imprisonment.

SEC. 17. *Payment to guardian.*—If at any time it shall appear to the satisfaction of the board by the testimony of two or more reputable citizens that any recipient of an old-age pension is incapable of caring for himself or his pension, the board shall have the power to order the pension to be paid to some person designated by the board for the use of the pensioner until his disability is removed.

SEC. 18. *Repealing clause.*—Nothing in this act shall be construed as repealing any other act or part of an act for the support of the poor, but the provisions of this act shall be construed as an additional method of supporting the poor of the county, and nothing herein shall be construed as vesting in any person the right to an old-age pension or the continuance thereof.

SEC. 19. *Gender.*—Whenever in this act the masculine pronoun is used it shall in a proper case be held to include the feminine.

SEC. 20. *Title of act.*—This act shall be known and may be cited as "the old age pension law of the State of Utah."

(Approved March 25, 1929; effective May 14, 1929.)

West Virginia

ACTS OF 1931

CHAPTER 32

SECTION 1. *Establishment of system.*—The care and relief of aged persons who are in need and whose physical or other conditions or disabilities seems to render permanent their inability to provide properly for themselves is hereby declared to be a special matter of public concern and a necessity in promoting the public health and welfare. To provide such care and relief at public expense, a county system of old-age pension relief is hereby established to operate in a uniform manner, with due regard to the varying living conditions and costs of living. The terms "pension relief" or "relief" whenever used in this article shall be construed to include assistance, aid, care, or support to the class of persons affected thereby, and whenever the masculine pronoun is used it shall be deemed to include the feminine gender.

SEC. 2. *Method of establishing.*—Every county court of the State of West Virginia is hereby authorized to establish a system of old-age pensions in accordance with the provisions of this article; but before said county pension system shall be established and placed into effect, the county court of any county shall submit to a vote of the people of the county, at any general election held therein, or at any special election called for the purpose, the question of whether or not said system of old-age pension relief shall be established. If a majority of the qualified voters voting at any such election favor old-age pension relief, the county court shall provide and maintain said relief, beginning with the next fiscal year after the holding of said election. When old-age pension relief shall be established in any county it shall continue therein until changed by a vote of the people. After it becomes effective in any county and has continued therein for a period of two years, the county court thereof may, upon its own motion, and shall, upon the written petition of 500 taxpayers of the county who are legal voters thereof, submit to a vote of the people of the county, at a general or special election therein, the question of whether or not said system of old-age pension shall be continued. If a majority of the qualified voters voting at such election shall vote against the continuance of said old-age pension relief, then the county court shall discontinue said system as of the 30th day of June next following the date of said election, and the rights of all persons receiving the benefits of such relief shall cease and determine as of that date, and the county court shall cause written notice, by due course of mail, to be given to the beneficiaries of pension relief to the effect that the pension-relief system has been discontinued by a vote of the people, and in addition thereto the county court shall publish for two successive weeks in two newspapers published in the county and representing opposite political parties, if there be such, a proclamation to the effect that the old-age pension system of the county has been discontinued by a vote of the people. If there be but one political party represented in the county by a newspaper published therein, then said proclamation shall be published in one of the papers of said party. If there be no newspaper published in said county, then same shall be published in some newspaper of general circulation therein. If at any said election said county pension system is discontinued by a majority of the voters thereof, the question of maintaining a system of old-age pension relief shall not again be submitted to a vote of the people within a period of five years from the date of the last election at which said question was submitted. But where the system is discontinued by a vote of the people of the county, the county court may, upon its own motion, and shall upon the written petition of 500 taxpayers of the county who are qualified voters therein, again submit the question of establishing an old-age pension system to the voters of the county after the expiration of five years from the time said election was held in which said old-age pension system was discontinued, and if reestablished by a vote of the people it shall continue unless again suspended as herein provided.

SEC. 3. *Amount of pension.*—Any person while residing in any county which maintains a system of old-age pension relief, who shall comply with the provisions of this article, shall be entitled to a pension in old age. The amount of such pension shall be fixed with due regard to the conditions in each case, but in no case shall it be an amount which shall exceed a total of $1 per day.

SEC. 4. *Conditions.*—An old-age pension hereunder may be granted only to an applicant who (1) has attained the age of 65 years or more; (2) has been a citizen of the United States for at least 15 years before making application for a pension; (3) has resided in the State of West Virginia and the county in which he makes application continuously for at least 10 years immediately preceding the date of application, but continuous residence in the State and county shall not be deemed to have been interrupted by periods of absence therefrom if the total of such periods does not exceed three years. And absence in the service of the State of West Virginia or the United States shall not be deemed to interrupt residence in the State and county if a domicile be not acquired outside of the State or county; (4) is not at the time of his application an inmate of any public or private home for the aged, or any public home, or any public or private institution of a custodial, correctional, or curative character, except in the case of temporary medical or surgical care in a hospital; (5) is not because of his physical or mental condition in need of continued institutional care; (6) during the period of 10 years immediately preceding such date has not been imprisoned for a felony; (7) has not, within one year preceding such application for pension, been a habitual tramp or beggar; (8) has no child or other person responsible under the law of this State for his support and able to support him; (9) has no property, income, or other means of support; (10) has not disposed of or deprived himself, directly or indirectly, of any property for the purpose of qualifying for old-age pension relief; (11) does not receive a pension from the United States or any State or foreign government, or compensation under the laws of the State of West Virginia.

SEC. 5. *Administration.*—It shall be the duty of the county court to provide adequately for those eligible for old-age pension relief and who apply therefor under the provisions of this article. The amount and nature of the relief which any such person shall receive and the manner of providing it shall be determined by the county court with due regard to the conditions existing in each case, in accordance with reasonable rules and regulations made by said court not inconsistent with the provisions of this article. Relief may include, among other things, medical and surgical care and nursing, in the discretion of the court. The relief granted under this article shall, whenever practicable, be provided for the recipient in his own or some other suitable family home. The court shall determine in each instance the amount of regular relief to which the applicant is entitled and enter an order fixing the same, and issue to the beneficiary thereof a certificate showing the amount of the monthly allowance to which he is entitled during the continuance of said relief allowance. Where a pensioner under this article is seriously ill and in actual need of medical and surgical care and nursing, and the amount of the regular relief provided for him is not sufficient to provide for any such medical, surgical, and nursing care, the county court may provide such additional allowance as may be absolutely necessary to pay the expense thereof, and shall enter an order authorizing the payment of such extraordinary expense.

SEC. 6. *Application.*—Any person requesting or applying for pension relief under this article, shall make his application therefor to the county court of the county in which he resides. The applicant may apply in person or the application may be made by another in his behalf. The application shall be made in writing, or reduced to writing, and it shall specify that it is made for old-age pension relief under the provisions of this article. The application shall be verified by the person making the same, or by some other reputable person who is acquainted with the facts stated in the petition, and the petition or application should be supported by other competent testimony if available. In considering any such application, the commissioners of the court may make a personal investigation of the condition and circumstances of the applicant, or the court may, in its discretion, appoint some reputable person to make such an investigation in its behalf. Upon any such application being filed, as aforesaid, any citizen or group of citizens of the county may file with the court objections to the granting of any old-age pension relief prayed for in the application, and it shall be the duty of the court to hear evidence offered either in support of or in opposition to the granting of such relief. Any applicant or protestant feeling aggrieved by the action of the court may, as a matter of right, appeal to the circuit court of the county for further relief. On any such appeal, the original papers filed with the county court, including a transcript of the evidence taken therein, shall constitute the record before the circuit court, and the court shall determine the case upon the original record thus presented; or, in lieu of the original record, a complete transcript of the record in the county court certified by the clerk thereof, may be used on appeal at the option of the appellant. The decision of the circuit court shall be certified by the clerk thereof to the clerk of the county court wherein application was made, and the original record, if used, on appeal shall be returned to the clerk of the county court for its files; and the judgment of the circuit court in any such appeal shall be final.

SEC. 7. *Violations.*—Any person who by means of willful false statement or representation or by impersonation or other fraudulent device obtains or attempts to obtain or aids or abets any person to obtain any old-age pension relief, to which he is not entitled shall be guilty of a misdemeanor, and on conviction thereof, shall be fined not more than $500, or imprisoned in the county jail not more than one year, or be punished by both such fine and imprisonment. And if, upon the death of any beneficiary under this article, it is ascertained that there is any property or estate of which the beneficiary died seized or possessed, or to which he was otherwise lawfully entitled in his lifetime, other than household goods and personal property not exceeding in value the sum of $300, the county court shall have a prior lien, second only to taxes, upon such estate, if any, to the amount of the aggregate payments made to the beneficiary under this article, plus 3 per cent interest on payments so made. In the event of the existence and discovery of any such estate upon the death of any such beneficiary, it shall be the duty of the prosecuting attorney of the county to proceed, in the name and on behalf of the county court for the use and benefit of the old-age pension relief fund, to collect from any such estate any funds so found to be due.

SEC. 8. *Improperly granted pension.*—Any person who has knowledge that old-age pension relief is being improperly granted or administered under this article may file a complaint in writing with the county court setting forth the particulars of such violation. Upon receipt of such complaint the county court shall make an investigation of the allegations set forth in such complaint; or if at any time the county court has reason to believe that any such relief has been improperly granted or fraudulently obtained it shall cause an investigation to be made. Upon the filing of any such complaint, or upon the determination of the court to make an investigation, it shall be the duty of the court to notify the pensioner of the time and place of the hearing to be held by the court thereon; and the petitioner, or the complainant, may appear in person or by counsel at any such investigation and hearing. If it shall appear as result of the filing of such complaint or investigation that the relief was improperly granted or that the pensioner has come into the possession of property or estate or other means of support and is no longer in need of such relief, the county court may revoke any certificate theretofore issued by it to the pensioner and discontinue any further payments for old-age relief under this article and make any other order that it may deem necessary in the premises. Either party feeling aggrieved by the action of the court shall have the right of appeal to the circuit court of the county in the manner and form provided in section 6 hereof.

SEC. 9. *Records; discontinuance of pension; incapacity of pensioner.*—The county court of every county which maintains a system of old-age pension relief under this article shall keep and maintain an accurate permanent record of all proceedings relating to old-age pensions. The clerk of the county court shall do all necessary clerical work in connection with said pension system and keep and preserve permanent and accurate records and accounts pertaining to the same, and without any additional compensation therefor. Said records and accounts, including the order book, shall be kept separate, distinct, and apart from all other fiscal records and accounts of the office of the county clerk and shall be open to inspection during office hours by any citizen or taxpayer of the county. In addition to the records and accounts and files of papers kept and preserved by the county court in the clerk's office thereof, it shall be the duty of the clerk to keep and preserve a book of accounts in which he shall open a separate account in the name of each person receiving old-age relief under this article, and the clerk shall enter on the debit side of said account the amount of each separate payment made to the beneficiary thereof together with the date of the payment and the number of the draft, voucher, or check issued for each payment. The account of each pensioner shall bear the number of his pension certificate; and said book of accounts shall be carefully indexed by arranging the names of the pensioners in alphabetical order and giving the page reference to the personal account of each. When pension relief has been allowed by the court and proper orders entered directing the same, it shall be the duty of the clerk of the county court to issue drafts or vouchers on the last day of each month, payable to the beneficiaries thereof, and to deliver the same. If any beneficiary under this article is convicted of any crime, misdemeanor, or felony, or other offense, punishable by imprisonment for one month or a longer period, the county court shall direct that payment be not made during such period. Upon the conviction of any beneficiary of old-age pension herein provided of a heinous offense involving imprisonment for a period of more than 90 days, his right to receive further relief shall, ipso facto, cease and determine. Furthermore, if the beneficiary is found incapable of taking care of his money or himself, on the testimony of reputable witnesses, the county court may direct any installment or payment of pension relief to said beneficiary to be paid to any reputable person for his benefit, or the court may suspend payment for such period of time as it deems fit.

SEC. 10. *Relief inalienable.*—All pensions provided for hereunder shall be exempt from any tax levied by the State or any subdivision thereof, and exempt from levy and sale, garnishment, attachment or other process whatsoever, and shall be inalienable in any form.

SEC. 11. *County pension agent.*—In aid of the effective administration and enforcement of the provisions of this article, the county court of any county having a population, according to the last decennial census of the United States, of 35,000 or more, may, in its discretion, appoint some reputable and discreet person to be known as "county pension agent," and fix his salary in an amount not to exceed the sum of $250 per month. Such county pension agent shall hold said appointment at the will and pleasure of the county court, and may be removed at any time with or without cause. The county court may allow reasonable actual expenses of said agent incurred in and about the performance of his duties as such. The salary and expenses of said pension agent shall be paid out of the old-age pension fund hereinafter provided for. It shall be the duty of any such county pension agent to investigate, supervise and enforce the provisions of this article under the direction and authority of the county court.

SEC. 12. *Reports.*—The pension records and accounts of each county court and the clerk thereof shall be subject to inspection, supervision and audit by the tax commissioner of West Virginia in the same manner and with the same effect as provided by law for other public funds; and the clerk of the county court of each county maintaining a system of old-age pension relief shall annually make report to the tax commissioner of all receipts and disbursements of the county pension relief fund, and in such manner and upon such forms as the tax commissioner may require. Said report shall be made by said clerk within a period of 30 days after the end of each fiscal year.

SEC. 13. *Annual estimates of cost.*—Every county court which maintains a system of old-age pension relief under this article shall each year at the levy estimate and levy period provided by general law for the making up of estimates and the laying of levies, make up an estimate of the necessary and probable amount needed for old-age pension relief, and lay a special levy sufficient for said relief fund, not to exceed the sum of 5 cents on each $100 of assessed valuation of property in the county. The estimates and levies herein provided shall be published in the manner provided by law for general county levies. Said special levy shall apply to all of the taxable property of the county, including that in incorporated cities and towns. Said special levy shall be in addition to all other county levies provided by general law. The fund arising from said special levy shall be known and designed as "the old-age pension fund," and no part of said fund shall be expended for any other purpose than that for which the same is provided. The sheriff-treasurer of the county shall keep and preserve said fund in a separate and distinct account from all other funds, and shall not pay out of said fund any sum of money for any purpose than the old-age pension relief system. The sheriff-treasurer and the sureties on his bond shall be held responsible and account for this fund, and the sheriff-treasurer shall make settlement and account therefor in the manner provided by law for other funds in his hands.

(Passed March 11, 1931; effective June 11, 1931.)

Wisconsin

ACTS OF 1925

CHAPTER 121

SEC. 49.20 (as amended by Acts of 1929, ch. 181; and Acts of 1931, ch. 239). *Establishment of system.*—(1) For the more humane care of aged, dependent persons a State system of old-age assistance is hereby established. Such system of old-age assistance shall be administered in each county by the county judge, under the supervision of the board of control, as provided in sections 49.28 and 49.39. The cost of old-age assistance shall in the first instance be borne by the county, but the county shall be entitled to reimbursement from the State and from the cities, villages, and towns of which the beneficiaries are residents as provided in section 49.37.

(2) Until July 1, 1933, the provisions of sections 49.20 and 49.39 shall apply only to such counties whose county boards have made an appropriation to carry out these provisions, but thereafter shall apply to all counties.

SEC. 49.21 (as amended by Acts of 1929, ch. 181). *Amount of pension.*—Any person while residing in a county, which maintains a system of old-age assistance, who shall comply with the provisions of sections 49.20 to 49.39, shall be entitled to financial assistance in old age. The amount of such old-age assistance shall be fixed with due regard to the conditions in each case, but in no case shall it be an amount which, when added to the income of the applicant, including income from property, as computed under the terms of this act, shall exceed a total of one dollar ($1) a day.

SEC. 49.22 (as amended by Acts of 1929, ch. 181; Acts of 1931, ch. 109). *Conditions.*—Old-age assistance may be granted only to an applicant who—

(1) Has attained the age of 70 years or upwards.

(2) Was born in the United States or has been a citizen of the United States for at least 15 years before making application for old-age assistance.

(3) Has resided in the State and county in which he makes application:

(*a*) Continuously for at least 15 years immediately preceding the date of application, but continuous residence in the State and county shall not be deemed to have been interrupted by periods of absence therefrom if the total of such periods does not exceed three years, or,

(*b*) Forty years, at least five of which have immediately preceded the application;

(*c*) *Provided*, That absence in the service of the State of Wisconsin or of the United States shall not be deemed to interrupt residence in the State or county if a domicile be not acquired outside the State or county.

(4) Is not at the date of making application an inmate of any prison, jail, workhouse, infirmary, insane asylum, or any other public correctional institution.

(5) During the period of 10 years immediately preceding such date has not been imprisoned for a felony.

(6) If a husband, has not without just cause failed to support his wife and his children under the age of 15 years for six months or more during the 15 years preceding the date of application for old-age assistance.

(7) Has not, within one year preceding such application for old-age assistance been a habitual tramp or beggar.

(8) Has no child or other person responsible under the law of this State for his support and able to support him.

SEC. 49.23 (as amended by Acts of 1929, ch. 181; and Acts of 1931, ch. 239). *Persons not entitled.*—Old-age assistance shall not be granted or paid to a person:

(1) While or during the time he is an inmate of and receives the necessities of life from any charitable institution maintained by the State or any of the

political subdivisions of the State, or is an inmate of a private charitable, benevolent, or fraternal institution or home for the aged: *Provided*, That application for old-age assistance may be made while the applicant is an inmate of a county home, but if assistance is granted it shall not begin until he ceases to be an inmate of such home.

(2) If the value of his property or the value of the combined property of husband and wife living together exceeds $3,000.

(3) Who has deprived himself, directly or indirectly of any property for the purpose of qualifying for old-age relief.

SEC. 49.24. *Computation of income.*—The annual income of any property which is not so utilized as to produce a reasonable income shall be computed at 5 per cent of its value.

SEC. 49.25 (as amended by Acts of 1929, ch. 181). *Deduction from estate.*—On the death of a person who has been assisted under sections 49.21 to 49.39 or of the survivor of a married couple both of whom were so assisted the total amount paid together with simple interest at 3 per cent annually shall be allowed and deducted from the estate of such person or persons by the court having jurisdiction to settle the estate. The amount so recovered shall be paid into the treasuries of the State, county, town, village, or city in the proportion in which they respectively contributed toward the total old-age assistance received by the deceased or by the married couple of which the deceased was the survivor.

SEC. 49.26 (as amended by Acts of 1929, ch. 181; and Acts of 1931, ch. 239). *Transfer of property.*—(1) If the county judge deems it necessary, he may require as a condition to the grant of a certificate that all or any part of the property of an applicant for old-age assistance shall be transferred to the county court, except that in counties having a population of 500,000 and having a manager of county institutions such property shall be transferred to such manager of county institutions. Such property shall be managed by the county court or said manager of county institutions, who shall pay the net income to the person or persons entitled thereto. The county judge or said manager of county institutions shall have power to sell, lease, or transfer such property, or defend and prosecute all suits concerning it, and to pay all just claims against it, and to do all other things necessary for the protection, preservation, and management of the property.

(2) If in the event that the old-age assistance is discontinued during the lifetime of the beneficiary, the property thus transferred to the county court or said manager of county institutions exceeds the total amount paid with simple interest at 3 per cent annually, the remainder of such property shall be returned to the beneficiary; and in the event of his death such remainder shall be considered as the property of the beneficiary for proper administration proceedings. The county judge or said manager of county institutions shall execute and deliver all necessary instruments to give effect to this subsection.

(3) The district attorney at the request of the county judge or said manager of county institutions shall take the necessary proceedings and represent the county court or said manager of county institutions in respect to any matters arising under this section.

SEC. 49.27 (as amended by Acts of 1929, ch. 181). *Application.*—An applicant for old-age assistance shall file his application in writing with the county judge of the county in which he resides, in such manner and form as shall be prescribed by the board of control. All statements in the application shall be sworn to or affirmed by the applicant, setting forth that all facts are true in every material point.

SEC. 49.28 (as amended by Acts of 1929, ch. 181). *Investigations, etc.*—The county judge shall promptly make or cause to be made such investigation as he may deem necessary. The county judge shall decide upon the application and fix the amount of the old-age assistance, if any, and such decision shall be final: *Provided*, That the county board may at any time reduce or discontinue entirely such assistance granted to any beneficiary. An applicant whose application for old-age assistance has been rejected or whose allowance has been stopped may not again apply until the expiration of 12 months from the date of his previous application.

SEC. 42.29 (as amended by Acts of 1929, ch. 181). *Certificate, revocation, etc.*—(1) The county judge shall issue to each applicant to whom old-age assistance is allowed a certificate stating the date upon which payments shall commence and the amount of each installment, which may be monthly or quarterly, as the judge may decide.

(2) Each beneficiary under the provisions of sections 49.20 to 49.39 shall file such reports with the county judge as the board of control may from time to time require. If it appears at any time that the applicant's circumstances have changed, the county judge may revoke or modify any certificate issued. Any sum paid in excess of the amount due under the provisions of said sections shall be returned to the county and shall be recoverable as a debt due the county.

SEC. 49.30 (as amended by Acts of 1929, ch. 181). *Burial expenses.*—On the death of a beneficiary such reasonable funeral expenses for burial shall be paid to such persons as the county judge may direct: *Provided,* That these expenses do not exceed $100: *And provided further,* That the estate of the deceased is insufficient to defray these expenses.

SEC. 49.31 (as amended by Acts of 1929, ch. 181). *Receiving of other aid; incapacity of beneficiary.*—(1) During the continuance of old-age assistance no beneficiary shall receive any other relief from the State or from any political subdivision thereof except for medical and surgical assistance.

(2) If the beneficiary is, on the testimony of at least three reputable witnesses, found incapable of taking care of himself or his money, the county judge may direct the payment of the installments of the old-age assistance to any responsible person or corporation for his benefit, or may suspend payment for such period as the judge shall deem advisable.

SEC. 49.32 (as amended by Acts of 1929, ch. 181). *Assignability of pension.*—All amounts paid as old-age assistance shall be exempt from any tax levied by the State or by any subdivision thereof, and exempt from levy and sale, garnishment, attachment, or any other process whatsoever, and shall be inalienable in any form.

SEC. 49.33. *Improperly obtained pension.*—If at any time the county judge has reason to believe that a pension certificate has been improperly obtained, the county judge shall cause special inquiry to be made and may suspend payment of any installment pending the inquiry. If on inquiry it appears that the certificate was improperly obtained, it shall be canceled but if it appears that the certificate was properly obtained, the suspended installments shall be payable in due course.

SEC. 49.34 (as amended by Acts of 1929, ch. 181). *Fraudulent acts.*—Any person who by means of a willfully false statement or representation, or by impersonation, or other fraudulent device obtains, or attempts to obtain, or aids or abets any person to obtain: (*a*) A certificate to which he is not entitled; (*b*) a larger allowance than that to which [he] is justly entitled; (*c*) payment of any forfeited installment grant; (*d*) or aids or abets in buying or in any way disposing of the property of a pensioner without the consent of the county judge shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $500 or be imprisoned in the county jail for not more than one year, or be punished by both such fine and imprisonment, in the discretion of the court.

SEC. 49.35 (as amended by Acts of 1929, ch. 181). *Violations.*—(1) Any person who violates any provision of section 49.21 to 49.39, inclusive, for which no penalty is specifically provided shall be subject to a fine not exceeding $500 or to imprisonment not exceeding one year, or both.

(2) Where a beneficiary is convicted of an offense under this section the county judge may cancel the certificate.

SEC. 49.36 (as amended by Acts of 1929, ch. 181). *Conviction of crime.*—If a beneficiary is convicted of any misdemeanor, felony, or other offense, punishable by imprisonment for one month or longer, payments shall not be made during the period of imprisonment.

SEC. 49.37 (as amended by Acts of 1929, ch. 181; and Acts of 1931, ch. 239). *Appropriation; reimbursement by municipality.*—(1) The county board of each county which operates under the State system of old-age assistance shall annually appropriate a sum of money sufficient to carry out the provisions of sections 49.20 to 49.39. Upon the orders of the judge of the county court, county treasurer shall pay out the amounts ordered to be paid as old-age assistance under the provisions of said sections.

(2) The county board of each county may cause each city, town, and village to reimburse the county for all amounts of money paid in old-age assistance to its residents, less the amounts received by the county from the State pursuant

to subsection (3) of this section. The county clerk shall make a report to the county board at its annual November meeting showing in detail the amounts which under this subsection are chargeable to each city, town, and village, and the county board at such meeting shall determine if such amount shall be so charged, and then determine the amount to be raised and paid by each such city, town, and village to reimburse the county. The county clerk shall charge the amount so determined to such city, town, or village and shall certify the same to the city, town, or village clerk. Each city, town, or village shall annually levy a tax sufficient to meet such charges, which shall be collected as are other taxes and paid into the county treasury.

(3) On the first day of January of each year the county treasurer shall certify under oath, in duplicate, to the secretary of state and the State board of control, the amount paid out by such county during the preceding year for old-age assistance, and if the board of control shall approve the same and shall cause its approval to be indorsed by the president and secretary of said board on the certificate received by the secretary of state, the secretary of state shall credit one-third of the amount so certified to be due such county on the State taxes next due therefrom, and the State treasurer shall credit such county with said one-third of such amount in his annual settlement with said county for taxes due the State: *Provided*, That if the total amount payable to all the counties under this section, as certified by the county treasurers, shall exceed the sum appropriated by subsection 13m of section 20.17, the secretary of state and the State treasurer shall prorate the said sum among the various counties according to the amount paid out.

(4) When necessary, the county board shall annually levy a tax sufficient for the payment of old-age assistance to residents of the county who meet all qualifications for assistance but do not have a legal settlement in any city, village or town. Such tax levy shall be paid into a "county-at-large old-age assistance fund" and no part of the payments made to such persons shall be charged to any city, village or town, but the county shall be entitled to partial reimbursement from the State as in other cases.

SEC. 49.38 (as amended by Acts of 1929, ch. 181). *Reports.*—Within 30 days after the close of each calendar year, the county clerk of each county shall make a report for the preceding year, to the State board of control stating:

(*a*) The amount paid as old-age assistance.

(*b*) The total number of applications for assistance.

(*c*) The number granted, the number denied, the number canceled during that year, and such other information as the board of control may deem advisable.

SEC. 49.39 (as amended by Acts of 1929, ch. 181). *Administration.*—The board of control shall from time to time prescribe and promulgate rules and regulations to efficiently carry out the provisions of sections 49.20 to 49.39. It shall also publish such information as it may deem advisable to acquaint aged persons and the public generally with the old-age assistance plan of this State.

(Approved and effective May 12, 1925.)

Wyoming

ACTS OF 1929

CHAPTER 87

SECTION 1. *Establishment of system.*—There shall be established in each county of the State of Wyoming a county old-age pension board, hereinafter called the old-age pension commission, and the boards of county commissioners of the respective counties of the State of Wyoming are hereby designated as the old-age pension commissions of their respective counties to serve as such without any additional compensation.

SEC. 2. *Duties of commission.*—The old-age pension commission shall perform all the duties imposed upon it by this act and shall have authority to make such rules and regulations consistent with the provisions hereof as are necessary to carry out the provisions of this act. The old-age pension commission shall meet at such times and places as shall be fixed by its rules.

SEC. 3. *Persons entitled to pension.*—Every person (man or woman, married or single) shall, in the discretion of the old-age pension commission, while residing in the State of Wyoming, be entitled to a pension in old age subject to the restrictions and qualifications hereinafter noted.

SEC. 4. *Amount.*—The amount of said pension shall be fixed by the old-age pension commission with due regard to the conditions in each case; but in no case shall it exceed $30 per month.

SEC. 5. *Conditions.*—An old-age pension may be granted only to an applicant who—

(*a*) Has attained the age of 65 years or upwards.

(*b*) Has been a citizen of the United States for at least 15 years before making application for a pension.

(*c*) Resides and has his or her domicile in the State of Wyoming and has so resided and had his or her domicile continuously therein for not less than 15 years immediately preceding the date of the application for a pension; 5 years thereof immediately preceding the time of the making of said application in the county where application is made: *Provided*, That continuous residence in the State shall not be deemed to have been interrupted by occasional absences therefrom, where the total period of such absence does not exceed three years; or by absence from the State while in the employ or service of the State or of the United States.

(*d*) That during the period of 10 years preceding such date of application he has not been imprisoned for any offense punishable by imprisonment in the State penitentiary.

(*e*) That the claimant, if a husband, has not during the period of 15 years immediately preceding such date of application for a pension for a period of 6 months or upwards, deserted his wife, or without just cause, failed to provide for her with adequate means of maintenance or neglected to maintain and provide for such of his children as were under the age of 15 years; or if a wife, deserted her husband or such of her children as were under age without cause.

(*f*) That he has not been, within one year preceding such application for pension, a professional tramp or beggar.

SEC. 6. *Same; amount deductible from estate.*—The income of the claimant from all sources at the date of application for relief shall not exceed $360 per annum.

(*a*) The claimant must not have deprived himself or herself directly or indirectly, of any property for the purpose of qualifying for old-age relief.

(*b*) The aged person must have no child, or any other person legally responsible for the support of the aged person under the laws of the State of Wyoming fully able to support the applicant.

(*c*) At the death of the person to whom the pension is granted, or of the last survivor of a married couple, the total amount of the pension since the first grant, together with 3 per cent of interest shall be deducted and allowed by the proper courts out of the proceeds of his or her property as a preferred claim against the estate of the person so assisted, and refunded to the county treasurer to the credit of the poor fund, leaving the balance for distribution among the lawful heirs in accordance with law: *Provided*, That the old-age pension commission may demand the assignment or transfer of such property upon the first grant of such pension. The old-age pension commission shall establish such rules and regulations regarding the care, transfer, management, and sale of such property as it deems advisable, and also provide for the return of the balance of the claimant's property into its hands whenever the pension is withdrawn or the claimant ceases to request it.

SEC. 7. *Computation of income.*—The annual income of any property, inclusive of a homestead, shall be computed at 3 per cent of its determined value.

(*a*) In ascertaining a claimant's income and the amount of pension, his income for the last preceding year shall be deemed his annual income, and the property owned at the end of that year as his accumulated property: *Provided*, That when the claimant shows to the satisfaction of the old-age pension commission the loss of personal income derived from personal earnings, it shall be deducted from the income of the preceding year in considering the amount of pension to be granted.

SEC. 8. *Application.*—A claimant for an old-age pension under this act shall deliver his or her claim in writing to the old-age pension commission of the county in which the claimant resides in the manner and form prescribed by the old-age pension commission. All statements in the application shall be sworn to and affirmed by the applicant setting forth that all the facts are true and correct in every material point.

SEC. 9. *Certificate.*—When the claim is established, and the rate of the first year's old-age pension is fixed, the old-age pension commission shall, in the manner it may prescribe, certify the same to the county treasurer of such county and shall issue to the claimant an old-age pension certificate which shall state the date of issuance, the claimant's name, age, and residence, and the amount of monthly payment, which certificate shall be good for one year unless sooner revoked.

(*a*) The old-age pension certificate shall be required each subsequent year; to be renewed after satisfactory investigation.

SEC. 10. *Commencement of pension.*—The old-age pension shall commence on the date named in the certificate issued to the claimant.

(*a*) All old-age pensions shall be paid in monthly payments by county warrants, drawn on the county treasurer and on the poor fund thereof.

SEC. 11. *After-acquired property.*—If at any time during the currency or continuance of an old-age pension certificate, the recipient, or the wife or husband of the recipient, becomes possessed of any property or income in excess of the amount allowed by law in respect to the amount of pension granted, the old-age pension commission may, on inquiry, either cancel the pension or vary the amount thereof during the period of the certificate, and it shall be the duty of the recipient immediately to notify the old-age pension commission of the receipt and possession of such property or income.

(*a*) If, on the death of any recipient of an old-age pension, it is found that he, or she, was possessed of property in excess of the amount allowed by law in respect to the amount of pension granted, double the total amount of the relief granted in excess of that to which the recipient was by law entitled. may be recovered by the old-age pension commission as preferred claim from the estate so found in excess. The attorney general or county attorney shall take the necessary proceedings to recover such claim and the amount so recovered shall be paid into the county treasury of such county.

SEC. 12. *Burial expenses.*—On the death of a recipient of old-age pension, the installments then accruing, and such other reasonable funeral expenses as are necessary for the burial of such person shall be paid to such person or persons as the old-age pension commission directs: *Provided*, That these expenses do not exceed $100: *And provided further*, That the estate of the deceased is insufficient to defray the expenses.

(*a*) *It is provided, further*, That these provisions for providing old-age pensions shall not be construed as a vested right in the pensioners.

SEC. 13. *Receiving of other aid; removal from county.*—During the continuance of the old-age pension no recipient shall receive any other relief from the State, or from any political subdivision thereof except for medical and surgical assistance. In case the recipient of a pension under the provisions of this act shall be required, by reason of illness or other justifiable cause, to remove from the county paying such pension to another county, within this State, the county paying such pension at the time of such removal, shall continue to pay such pension until such time as said pensioner shall have qualified to receive a pension from the new county in which he has located. The provisions of this act, however, shall not apply in case of the permanent removal of the pensioner from the State.

SEC. 14. *Pension inalienable.*—All old-age pensions shall be absolutely inalienable by any assignment, sale, attachment, execution, or otherwise, and in case of bankruptcy the old-age pension shall not pass to any trustee or other persons acting on behalf of creditors.

SEC. 15. *Improperly obtained pension.*—If at any time the old-age pension commission has reason to believe that any old-age pension certificate has been improperly obtained, it shall cause special inquiry to be made by the county attorney and may suspend payment of any installment pending the inquiry. If, on inquiry, it appears that the certificate was improperly obtained, it shall be canceled by the old-age pension commission, but if it appears that the certificate was properly obtained, the suspended installment shall be payable in due course.

SEC. 16. *Fraudulent acts.*—Any person, who by means of a willfully false statement, or representation, or by impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any other person to obtain—

(*a*) An old-age pension certificate to which he is not justly entitled.

(*b*) A larger amount of assistance than that to which he is justly entitled.

(*c*) Payment of any forfeited installment grant.

(*d*) Or aids or abets in the buying or in any way disposing of the property of an old-age pension recipient, without the consent of the old-age pension commission, shall be guilty of a misdemeanor and upon conviction thereof shall be sentenced to pay a fine of not exceeding $500 or to undergo imprisonment not exceeding six months, or both.

SEC. 17. *Violations.*—Any person who violates any provision of this act for which no penalty is specifically provided shall be subject to a fine not exceeding $500 or to undergo imprisonment not exceeding six months, or both.

(*a*) Where an old-age pension recipient is convicted of an offense under this section, the old-age pension commission may cancel the pension certificate in respect to the issue of which the offense was committed.

SEC. 18. *Forfeiture.*—In case of forfeiture of any old-age pension certificate the person whose pension is so forfeited shall be disqualified from making an application for a new certificate until the expiration of one year from the date of forfeiture.

SEC. 19 (as amended by Acts of 1931, ch. 35). *Appropriation.*—The funds for the payment of old-age pensions shall be furnished by the respective counties, and all expenses incurred in the administration of the act shall be paid from the funds of the several counties and paid by the county treasurer from the poor fund of such county. The commissioners of the several counties shall for this purpose and in addition to all levies now authorized, levy a tax not to exceed one-half mill on the total assessed valuation of the property within the particular county paying out said old-age pension.

SEC. 20. *Reports.*—Within 90 days after the close of the calendar year the old-age pension commission of each county shall make a report of the preceding year to the State auditor of the State of Wyoming, stating—

(*a*) The amount paid in cash.

(*b*) The total number of recipients.

(*c*) The total number of applicants.

(*d*) The number granted pensions, the number denied, the number canceled during the year and such other information as the State auditor may deem advisable.

SEC. 21. *Promulgation of rules, etc.*—All methods of procedure in hearings, investigations, recording, registration, and accounting pertaining to the old-age pensions under this act shall be in accordance with the rules and regulations as laid down from time to time by the old-age pension commission.

SEC. 22. *No vested right.*—Every old-age pension granted under the provisions of this act shall be deemed to be granted and shall be held subject to the provisions of any amending or repealing act that may hereafter be passed, and no recipient under this act shall have any claim for compensation or otherwise by reason of his old-age pension being affected in any way by any such amending or repealing act.

SEC. 23 (as amended by Acts of 1931, ch. 35). *Purpose of act.*—Nothing in this act shall be construed to authorize the county commissioners or the old-age pension commission to pay out during any one calendar year an amount of money for old-age pensions which shall be in excess of an amount of money represented by a levy of one-half mill on the total assessed valuation of the property within the particular county paying out said old-age pensions.

SEC. 24. *Gender.*—That whenever in this act the masculine pronoun is used, it shall be held to include the feminine pronoun also.

SEC. 25. *Title of act.*—This act shall be named and cited as the old-age pension act of the State of Wyoming.

SEC. 26. *Repeal.*—All acts and parts of acts conflicting with the provisions of this act are hereby repealed.

SEC. 27. *Effective date.*—This act shall take effect and be in force from and after June 1, 1930.

(Approved February 19, 1929.)

PART 2

OLD-AGE PENSIONS AND INSURANCE IN FOREIGN COUNTRIES

83360°—32——7

Part 2.—OLD-AGE PENSIONS AND INSURANCE IN FOREIGN COUNTRIES

Introduction and Summary

The bureau presents in this section of the report the measures adopted in foreign countries to provide a competence for old age, together with data, where obtainable, of the actual operation of the various systems. The descriptive reports for these countries were prepared by the consular representatives of the United States Department of State in the several countries concerned, in accordance with an outline and a memorandum of instructions prepared by the Bureau of Labor Statistics. This study may therefore be regarded as substantially complete, except as regards the Soviet Union, for which country the bureau has no first-hand information.

The data show that in 39 countries (exclusive of the Soviet Union) one or more systems of pensions or insurance for old age have been established. These countries are enumerated below:

Argentina.
Australia.
Austria.
Belgium.
Bolivia.
Brazil.
Bulgaria.
Canada.
Chile.
Cuba.
Czechoslovakia.
Denmark.
France.
Germany.
Great Britain.
Greece.
Greenland.
Guernsey, Isle of.
Hungary.
Iceland.
Irish Free State.
Italy.
Japan.
Lithuania (Memel Territory).
Luxemburg.
Netherlands.
Newfoundland.
New Zealand.
Norway.
Paraguay.
Poland.
Portugal.
Rumania.
South Africa, Union of.
Spain.
Sweden.
Switzerland.
Uruguay.
Yugoslavia.

The following 16 countries have no system of old-age pensions or insurance: Colombia, Costa Rica, Dominican Republic, Ecuador, Estonia, Finland, Guatemala, Honduras, Latvia, Lithuania (except in Memel Territory), Mexico, Nicaragua, Panama, Peru, Salvador, and Venezuela. In Panama, however, there are retirement systems for certain classes of Government employees. In Latvia a commission has been appointed to draw up a general old-age insurance law, and 50 per cent of the contribution of the State to the sickness-insurance system is being set aside to form an old-age insurance reserve. It should also be noted that although there is no system of old-age pensions or insurance in Colombia or Peru, in both of these countries certain classes of workers are required to take out life insurance for the protection of their families.

Types of Plans

The systems of old-age care are of three main types as regards contribution and benefit:

(1) Voluntary insurance: In essence this is merely a system under which the Government sells annuities under more favorable rates than the private insurance companies.

(2) Compulsory insurance: Under this system contributions to a general insurance fund are made by two or all of the three parties concerned—the State, the employers, and the employees. Usually, all three parties contribute, as in Great Britain, Germany, and in France. This fund is managed by public authority and out of it determined benefits are paid to each employee under the system when he attains a certain age.

(3) Public pensions: Here the cost of the system is borne wholly by the public, and pensions are paid to citizens reaching a certain age, without other means of support, and without regard to whether they are or have been employed workers.

Of these three types of systems, the first—voluntary insurance—needs least comment. It has been introduced in only six countries (Canada, France, Italy, Japan, Netherlands, and Switzerland), and it has not succeeded, as a rule, in obtaining any large coverage.

As already indicated, the method of approach to the problem of old-age dependency is very different under compulsory insurance and under the public pension. The following points of difference may be emphasized as of particular importance: Under a public pension system aid is given only in case of actual dependency, and then only in accordance with the need of the individual as established to the satisfaction of the administrative agency. The theory under the compulsory-insurance system is quite different. Under such a system the aim is to accumulate, for all working citizens, against their retirement from industry, an insurance fund which will support them in their old age. The old-age benefits thus received by a retired worker are therefore not dependent upon the degree of dependency or upon proof of need. On the other hand, this system provides only for persons who are or have been workers; it does not cover dependent persons who, for various reasons, may have reached old age without ever having had employment within the meaning of the law.

The compulsory-insurance principle has at present by far the greatest acceptance. In general, the public pension system is favored by the British dominions and the Scandinavian countries and dependencies (except Sweden). The compulsory-insurance system is now in force in the principal industrial countries of Europe, such as France, Germany, Great Britain, and Italy; of these, France and Great Britain also have a pension system.

Coverage of System

Not all of the systems adopted are complete in their coverage. Thus, in Switzerland only certain Cantons have adopted such systems, and in Brazil such legislation applies only to employees of public utilities. Also it is to be noted that, in a few instances, systems of different character and coverage are in effect in the same country.

In the great majority of countries, however (including the principal industrial countries of Europe, such as England, Germany, and France), the systems in effect cover either the whole population or the whole working population, subject to certain requirements of income, residence, etc.

Public old-age insurance or pensions are intended for and applied to the economically lowest groups of the population, principally wage earners and low-salaried employees, but may include independent workers, including small employers (employing up to five or six workers). In order to determine these insurable or pensionable groups, the laws set certain economic limits on the basis of earnings, income, or value of property owned. These economic limits vary from country to country even more widely than the age limits.

However, a number of countries, having introduced a public compulsory-insurance system for the low-income groups of the population, have established a secondary, higher-income limit for voluntary insurance; that is, persons whose earnings or incomes are above the limit for compulsory insurance and below the secondary, higher limit may come under the compulsory-insurance act if they so desire. Experience shows that these classes do, to some extent, take advantage of such a provision.

Age Limit

There is no generally accepted age limit at which old-age pensions or benefits shall become payable. Not only does the age limit vary from country to country, but often within the same country different age limits are set for the sexes and for different occupational groups; in some insurance systems the age of retirement is dependent on years of service and amount of contributions made.

In general, it may be said that the age limits in European countries vary from 50 to 70 years, the prevailing limits being from 60 to 65 years. In the non-European countries the age limits, on the whole, appear to be somewhat lower than in Europe.

The age limit for women is in many cases fixed five years lower than for men.

For more hazardous occupations, such as transport and mining, often a lower age limit is set than for other less hazardous occupations.

In general, the lowest age limits occur under voluntary-insurance systems and the highest under straight pension systems, while the compulsory-insurance systems occupy a middle position in this respect.

The recent legislative tendency in regard to the age limit seems to be toward flexibility, a certain amount of discretion being left to the administrative authorities to fix age standards within the upper and lower limits set by the law.

Contributions and Benefits

In case of compulsory insurance the contributions are made either as a certain percentage of wages or salaries or as a definite sum of money to be contributed either weekly or monthly. Public contributions to insurance funds are either proportioned to the contribution shares of the insured and their employers, or are in the form of grants representing definite sums of money either per insured or per beneficiary, or lump sums transferred periodically to the insurance fund.

Some foreign countries have resorted to special taxation and other special means of raising money for the benefit of the insurance or pension funds. The European countries, however, seem to avoid special taxation for public-insurance funds.

Old-age benefits or pensions are usually established at a point which will provide merely the bare necessaries of life or a minimum of comfortable subsistence. As this minimum varies from country to country, from time to time, and even as between economic groups in the same country, the amount of benefit or pensions paid in different countries and for different groups of persons in the same country varies greatly.

With a few exceptions, the benefits and pensions are considerably lower than the wages or salaries earned before old-age retirement. As a rule, in the case of insurance systems the amount of benefit is based upon the amount of contributions made in behalf of the insured, while the amount of contribution is based upon a certain percentage of wages or salary, or of income in the case of independent workers.

In order closely to relate earning ability with contributions, varying numbers of graded wage or income classes are often set up. As, however, minute classification complicates administrative work, there is a tendency either to decrease the wage classes to a smaller number or to do away with them entirely, leaving only the upper insurable or pensionable income limits.

In a number of European countries the ordinary or regular benefits or pensions are rather small, especially in view of the increasing cost of living and depreciation of money value, in postwar years. Various increases and additional benefits have therefore been introduced, usually termed "bonuses," "allowances," "supplementary benefits," "special grants," etc.

Survivors' Benefits

Most of the old-age insurance or pension systems make provision for dependent survivors, such as widow or widower, orphans, parents, etc.

Usually the amount of the widow's benefit is one-half of the benefit of her deceased husband.

Almost all insurance systems provide that the total benefit for survivors may not exceed the benefit of the deceased.

Statistics of Operation

The table following shows, for each country for which data are available, the number of persons covered by the various systems, the number of beneficiaries, and the average benefit.

TABLE 1.—*Extent of coverage and benefits of old-age pension and insurance systems in specified countries*

Country and system	Population	Year to which figures apply	Number of persons covered by system	Number of beneficiaries: Insured	Number of beneficiaries: Survivors	Average yearly old-age and invalidity benefit
Argentina:						
Railway employees	10,904,022	1929	143,843	[1] 22,408	(2)	[1] $440
Bank employees		1929	9,205	[1] 410	(2)	[1] 291
Public-utility-company employees		1929	41,908	(3)	(2)	(3)
Australia: Pensions	5,495,734	1930	5,495,734	155,196		242
Austria: Salaried employees	6,675,283	1929	228,882	9,543	10,741	354
Brazil: Public-utility-company employees	40,272,650	(4)	140,435	6,930	3,867	366
Canada:						
Pensions	9,934,500	1931	(3)	57,930		200
Voluntary insurance		1930	10,183	(3)		(3)
Chile:						
Wage earners	4,364,395	1931	1,203,500	663	(3)	21
Salaried employees		1930	80,220			
Cuba:						
Maritime employees	3,607,919	1929	50,000	877		(3)
Railway employees		1931	45,000	2,569	787	(3)
Czechoslovakia:						
Salaried employees	14,523,186	1930	359,374	14,314	17,608	
Wage earners		1929	2,305,959	605	2,451	14
State railway employees		1929	132,888	62,773	(3)	98
Miners		1929	129,644	84,760	(3)	57
Denmark: Pensions	3,434,555	1929	3,434,555	99,461		160
France:						
Seamen	40,745,874	1930	170,000	59,800	7,500	129
Ship's cooks, stewards, etc		1930	36,000	(3)	(3)	(3)
Voluntary insurance		1930	(3)	800,000	(3)	12
Railway employees		1928	446,000	170,000	(3)	166
Miners		1929	425,000	(3)	(3)	(3)
Noncontributory pensions		1929	566,000	(3)	(3)	(3)
General insurance scheme		1930	8,217,636			
Germany:						
Wage earners	62,348,782	1929	18,000,000	[5] 2,049,000	1,178,000	[1] 85
Salaried employees		1930	3,500,000	125,576	100,790	[1] 185
Bank employees		1930	66,067	[1] 11,042	(2)	[1] 190
Miners		1930	676,383	205,447	167,905	[6] 130; [7] 317
Great Britain:						
Noncontributory pensions	44,173,704	1930	(3)	1,373,331		113
Contributory insurance		1928	[8] 16,500,000	[a] 587,772	(2)	[a] 127
Greece: Wage earners and salaried employees	6,204,468	1927–28	191,925	22,676	(2)	(3)
Greenland: Eskimos' pensions	[9] 10,000	1929	(3)	500		27
Guernsey, Isle of: Pensions	40,529	(4)	(3)	500		78
Hungary: Wage earners and salaried employees	8,603,922	1929	[b] 669,471			
Irish Free State: Pensions	2,972,802	1928	(3)	[c] 114,709		107
Italy: Compulsory insurance	41,168,000	1929	5,500,000	174,588	11,284	33
Japan: Voluntary insurance	62,938,200	1928–29	178,036	(3)		(3)
Lithuania (Memel Territory): Compulsory insurance	141,645	1929	[5] 25,148	416	(2)	27
Luxemburg: Wage earners	285,524	1928	[10] 50,000	3,830	951	[1] 20
Netherlands:						
Compulsory insurance	7,625,938	1930	2,547,099	133,257	25,769	61
Voluntary insurance		1929	[5] 179,264	223,080		60

[1] Includes those receiving survivors' benefits also.
[2] Included with insured.
[3] No data.
[4] "Present."
[5] Data are for 1930.
[6] Wage earners.
[7] Salaried employees.
[8] Under health insurance acts; figures for old-age insurance slightly less.
[9] Estimated Eskimo population.
[10] Under social insurance.
[a] Data are for 1928; includes those receiving survivors' benefits also
[b] Includes 41,504 miners.
[c] Includes 2,650 blind.

TABLE 1.—*Extent of coverage and benefits of old-age pension and insurance systems in specified countries*—Continued

Country and system	Population	Year to which figures apply	Number of persons covered by system	Number of beneficiaries: Insured	Number of beneficiaries: Survivors	Average yearly old-age and invalidity benefit
Newfoundland: Pensions	264,089	(4)	3,200	3,000	----------	$50
New Zealand: Pensions	1,407,165	1931	(3)	[5] 26,909	----------	200
Paraguay: Railway employees	791,469	(3)	916	95	(3)	364
Poland:						
Salaried employees	30,212,962	1928	225,081	1,854	3,245	[1] 147
Manual workers (former German territory)		1928	926,000	70,066	45,909	[1] 19
Railroad workers (former German territory)		1928	86,586	5,211	9,080	[1] 36
Miners (former Austrian territory)		1928	11,325	3,687	927	[1] 20
Portugal: Wage earners and salaried employees	5,628,610	(4)	[11] 2,000,000	----------	----------	----------
South Africa, Union of: Pensions	6,933,652	1930	(3)	[12] 36,167 [13] 16,551	----------	[12] 139 [13] 86
Spain: Compulsory insurance	22,760,854	1930	3,395,212	----------	----------	----------
Sweden: Compulsory insurance	6,120,080	1929	3,728,000	318,000	(3)	43
Switzerland:						
Canton of Neuchatel	(3)	1929	11,523	884	(3)	106
Canton of Vaud	(3)	1929	52,503	297	----------	40
Canton of Glarus	(3)	1929	19,055	209	----------	31
Canton of Appenzell a/Rh	(3)	1928	38,604	----------	----------	----------
Uruguay:						
General system	1,850,129	1930	(3)	33,828	----------	[14] 124 [15] 99
Public-service employees		1930	51,500	2,746	688	594
Bank employees		1929	1,787	71	33	(3)
Limited-liability-company employees		1930	157,900	215	51	1,141
Journalists		1930	4,100	11	3	428

[1] Includes those receiving survivors' benefits also.
[3] No data.
[4] "Present."
[5] Data are for 1930.
[11] Estimated.
[12] White.
[13] Colored.
[14] Natives of Uruguay.
[15] Foreign born.

Principal Features of Laws

The following table shows the main provisions of the laws in each of the 39 countries having such systems.

Table 2.—*Principal provisions of old-age pension and insurance systems in foreign countries*

Country, and date of original law	Type of system	Extent of system		Contributions			Conditions for receipt of benefits	Benefits		By whom administered
		Groups covered	Number of persons covered	Insured	Employer	Government		Insured	Survivors	
Argentina: Law of 1919	Compulsory insurance.	Wage earners and salaried employees on railways.	143,843 in 1920	5 per cent of wages up to 1,000 pesos ($425) per month; first month's pay; first month's increase in pay.	8 per cent of pay of employee up to 1,000 pesos ($425) per month.	Any deficit	Ordinary: Age, 50 years; 30 years' service; optional at 45 after 30 years' service, with reduced benefit. Voluntary: Age, 50 years; 10 years' service. Duty disability: No age or service requirements.	Ordinary: Vary according to salary; minimum, average pay for last 5 years up to 120 pesos ($51) per month; maximum, 754 pesos ($320). Voluntary: 2 per cent of ordinary benefit for each year of service. Duty disability: 10 per cent of ordinary benefit for each year of service up to maximum.	Half of benefit of deceased—minimum 100 pesos ($42)—of which half to widow and remainder to other dependent relatives.	National Fund for Retirement Annuities and Pensions of Railway Employees.
Law of 1921	do	Wage earners and salaried employees of public utilities.	41,908 in 1929	do	do	None as yet	Ordinary: Age, 50 years; 30 years' service; optional at 45 after 30 years' service, with reduced benefit. Voluntary: Age, 50 years; 10 years' service. Invalidity: 10 years' service. Duty disability: No age or service requirements.	Ordinary: Vary according to salary; minimum, 95 per cent of average pay for last 5 years up to 100 pesos ($42) per month; maximum, 745 pesos ($316). Voluntary: 2 per cent of ordinary benefit for each year of service. Invalidity and duty disability: 5 per cent of ordinary benefit for each year of service.	Half of benefit of deceased, of which half to widow, and remainder equally to children and parents if any, otherwise all to widow.	National Fund for Retirement Annuities and Pensions.
Law of 1929	do	Employees of privately owned banks	9,205 in 1929	From 5 per cent on monthly salaries up to 500 pesos ($212), to 7 per cent on salaries from 1,000 to 1,500 pesos ($425 to $637); first month's pay; first month's increase in pay.	8 per cent of salaries	None	Ordinary: Age, 50 years; 30 years' service; optional at 45 after 30 years' service, with reduced benefit. Voluntary: 20 years' service. Invalidity: 10 years' service. Duty disability: No age or service requirements.	Ordinary: Minimum, 75 per cent of average pay for last 5 years up to 500 pesos ($212); maximum, 975 pesos ($414). Voluntary: 2 per cent of ordinary benefit for each year of service. Invalidity: 3¼ per cent of ordinary benefit for each year of service up to 30. Duty disability: 40 per cent of average pay for last 5 years, plus 2 per cent for each year of service up to 30.	do	Bank Employees' National Retirement Fund.
Law of 1923	do	Wage earners and salaried employees of industrial, mercantile, and printing and publishing firms, and of merchant marine.	Not yet in operation.	5 per cent of pay up to 1,500 pesos ($637); first month's pay; first month's increase in pay.	5 per cent of wages	do	Not decided	Not decided	Not decided	Board of directors of social welfare funds.
Province of Cordoba—Law of 1920	Pension	All inhabitants	No data	None	None	Entire cost	Age, 60 years; citizens of Argentina with 15 years' residence in Argentina or foreigners with 30 years' residence therein; 10 years' residence in Cordoba; income not over 30 pesos ($13) per month; not convicted of any crime.	30 pesos ($13) per month	3 months' wages	Bureau of labor protection of Department of Labor.
Province of Mendoza—Law of 1924	Compulsory insurance.	do	do	do	50 centavos (21 cents) per month for each employee.	50 centavos (21 cents) per month for each employee by State and local governments, as employers; revenue from specified taxes.	Age, 65 years; citizens of Argentina with 15 years' continuous residence in Mendoza, or foreigner with 25 years' residence; no other source of income; not convicted of any crime.	50 pesos ($21) per month	No data	Board of 5—Director of Department of Labor, 2 members of legislature, and 2 workers elected by labor unions.
Australia: Law of 1908	Pension	All inhabitants except Asiatics, and aborigines of Australia, Africa, New Zealand, and islands of Pacific.	do	do	None	Entire cost	Age, men 65 years (60 years in case of permanent disability), women 60; 20 years' continuous residence; good character; property not over £400 ($1,947).	Maximum, £52 ($253) a year, reduced by £1 ($4.87) for each £10 ($49) of property over £50 ($243), exclusive of home.	None	Commonwealth Commissioner of Pensions, and deputy commissioner in each State.
Austria: Law of 1926	Compulsory insurance.	Salaried employees	228,882 in 1929	4 per cent of basic pay (includes accident insurance also).	Same as from insured	None	Age, men 65 years, women 60, after 5 years' contributions; 60 and 55 years, respectively, after 10 years' contributions. Invalidity: 5 years' contributions.	35 per cent of basic pay up to 400 schillings ($56) per month, plus 1 per cent of basic pay for each contribution year. Total disability: Minimum, 75 per cent of basic pay.	Widow, half of benefit of deceased. Half orphans 12 per cent, and full orphans 24 per cent of basic pay, each. Maximum survivors' benefit, full benefit of deceased.	Central Employees' Insurance Institute.
Law of 1927	do	Wage earners (except agricultural workers).	Not yet in operation.	Weekly contributions of 7 per cent of basic daily wage.	do	Grant of 6 schillings (84 cents) per month for insured and from 1.50 to 3 schillings (21 to 42 cents) for survivors.	Age, 65 years; 500 weeks' contributions. Invalidity: 104 weeks' contributions, of which 52 were during last 5 years; loss of two-thirds of earning capacity.	Old age: 10 times basic daily wage (maximum, 84 schillings ($11.82) per month), plus State grant. Invalidity: After 104 contributions, 6⅔ times basic daily wage (maximum, 56 schillings ($7.88) per month); after 500 contributions, same as for old age; also children's allowance and State grant. Total disability: Regular benefit plus 50 per cent.	Widow, half of benefit of deceased; half orphans one-fourth and full orphans three-eighths of benefit; also State grant.	Wage Earners' Insurance Institute.
Law of 1928	do	Agricultural laborers	do	Weekly contributions of 10 per cent of basic daily wage.	do	Grant of 12 schillings ($1.69) per month for insured and from 1.50 to 3 schillings (21 to 42 cents) for survivors.	Age, 65 years; 500 weeks' contributions. Invalidity: 104 weeks' contributions.	10 times basic daily wage (maximum 48 schillings ($6.75) per month); plus State grant. Invalidity: After 104 contributions, 6⅔ times basic daily wage (maximum 32 schillings ($4.50) per month); after 500 contributions, 10 times basic daily wage (maximum 48 schillings ($6.75) per month); also children's allowance and State grant.	do	District agricultural insurance institutes.
Belgium: Law of 1930 (superseding law of 1920).	do	Miners	457,867 beneficiaries in 1928.	3 per cent of wages	4 per cent of wages	According to age, from 50 centimes to 1 franc (2 to 3 cents) for each franc contributed. Maximum, 258 francs ($8); additional benefits; administrative expenses.	Underground workers: Age, 55 years; 30 years' service. Surface workers: Age, 60 years; 30 years' service	6,000 francs ($166.80) per year, plus 3,400 kilograms of coal (or cost of production thereof, in cash).	Widow, 4,700 francs ($130.67) per year, plus 3,400 kilograms of coal (or cash value thereof). Half orphans, 360 francs ($10) per year for first child and 450 francs (12.51) for each additional child up to 8; full orphans, 720 franks ($20) each.	National Miners' Pension Fund, under Ministry of Industry, Labor, and Social Welfare.
Law of 1930 (superseding law of 1924).	do	Wage earners (except miners) and independent workers.	No data	Wage earners: Vary according to wage class, from 2.50 to 12.50 francs (7 to 35 cents) per month. Independent workers: 1.5 per cent of annual income up to 12,000 francs ($334); minimum annual contribution, 60 francs ($1.67) for women, 120 francs ($3.34) for men. Higher rates for hazardous industries.	Same as from insured	In general, 50 per cent of amount of benefit; maximum, 1,200 francs ($34) per year per benefit.	Age, men 65 years, women, 60; optional at earlier age, with reduced benefit.	Vary according to amount and period of contribution	Widow, not to exceed half of benefit of deceased. Orphans, 240 francs ($6.67) per year, each.	National Fund for Pensions to Employees; and General Savings and Retirement Fund under Ministry of Industry, Labor, and Social Welfare.
Law of 1930 (superseding law of 1925).	do	Salaried employees	do	3 per cent of annual salary up to 18,000 francs ($500); maximum contribution, 540 francs ($15) a year.	4 per cent of salaries; maximum contribution 720 francs ($20) a year.	Varies according to period for which insured has contributed; maximum, 1,200 francs ($34) per year per benefit.	Age, men 65 years, women 60; optional at 55 and 50 with reduced benefit.	do	Widow, not to exceed half of benefit of deceased.	General Savings and Retirement Fund, and National Fund for Pensions to Employees.

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TABLE 2.—*Principal provisions of old-age pension and insurance systems in foreign countries*—Continued

Country, and date of original law	Type of system	Extent of system		Contributions			Conditions for receipt of benefits	Benefits		By whom administered
		Groups covered	Number of persons covered	Insured	Employer	Government		Insured	Survivors	
Bolivia: Law of 1926	Compulsory insurance	Bank employees	No data	1 per cent of salary, plus fines or deductions for absence or bad conduct.	2 per cent of net profits, 20 per cent of charges on protested notes, 5 per cent of penalty for overdue notes, and extra contributions.	None	20 years' service. Duty disability: 10 years' continuous or 15 years' noncontinuous service.	Vary, according to years of service, from 70 to 100 per cent of last salary. Duty disability: 50 per cent of last salary, plus 10 per cent for each 5 years' service over 10; payable for 5 years.	From 5 months' salary, after 5 years' service, to full benefit of deceased (for 5 years), after 30 years' service.	Bank Employees' Retirement Annuities and Pension Fund.
Brazil: Law of 1931 (superseding law of 1923).	do	Employees of public utility companies.	140,435 insured in 1930.	3 to 6 per cent of wages; first month's wages; first month's increase in wages.	1½ per cent of gross income, payable in monthly installments at least equal to contribution of insured.	Revenue from increase in existing rates; fines paid by insured and employers.	Age, 50 years; 30 years' service; 5 years' contributions. Total disability: 5 years' service.	85 per cent of average monthly wages for last 3 years; minimum 200 milreis ($24); maximum, 3,000 milreis ($359) per month. Total disability: One-thirtieth of average pay for last 3 years, for each year of service. Also medical treatment and medicines.	50 per cent of benefit, if deceased had 5 years' service or more; lump sum, varying with contributions, if less than 5 years' service.	Administrative council of 4 or 5 members, half representing employees and half employer.
Bulgaria: Law of 1924	do	Wage earners and salaried employees.	210,000 to 230,000 insured.	From 1.50 to 4 leva (1 to 2.8 cents) per week, according to wage scale.	Same as from insured	Same as from insured	Age, 60 years; 1,040 weeks' contributions; optional at 40, with reduced benefit. Invalidity: 156 weeks' contributions.	Basic amount, varying with wage class, from 1,500 to 6,000 leva ($11 to $43) per year, plus 1 lev (0.7 cent) for each week of contributions over 156. Invalidity: Basic amount same as for old age, plus 2 leva (1.4 cents) for each week of contributions over 156.	No data	Directorate of Labor and Social Insurance, and Social Pensions Commission.
Canada: Law of 1908	Voluntary insurance.	All persons residing in Canada	10,183 contracts in 1930.	According to age and amount of annuity desired.	None	Administrative expenses	None	From $10 to $5,000 per year	On death of insured before time specified, annuity paid to dependents.	Superintendent of Government annuities, under Department of Labor.
Law of 1927	Pension	All British subjects residing in Canada.	57,930 pensioners in 1931.	None	do	Half by Federal Government; other half, and administrative expenses, by Province.	Age, 70 years; 20 years' residence in Canada; 5 years' residence in Province; annual income not over $365.	Maximum, $240 per year; may be reduced by amount of private income over $125.	None	Provincial authorities and Dominion Department of Labor.
Law of 1929 (superseding law of 1907).	Compulsory insurance.	Employees of Government railways	No data	3 per cent of pay for first month, 1½ per cent thereafter.		(As employer) same as from insured; maximum $100,000 per year.	Age, 65 years; 15 years' service. Invalidity: 60 years; 20 years' service. Duty disability: 10 years' service.	1 per cent of highest average wage during any 10 consecutive years, for each year of service; minimum, $25 per month.	No data	Committee—7 officers of railroads and 2 representatives of railroad labor organizations.
Chile: Law of 1924	do	Wage earners, independent workers, and tradesmen, with earnings or income of not over 8,000 pesos ($974) per year.	1,203,500 insured in 1931.	Wage earners, 2 per cent of wages; independent workers, etc., 3½ per cent of average income.	3 per cent of wages	For wage earners, 1 per cent of wages; for independent workers, etc., 3½ per cent of average income; revenue from special taxes.	Age, 55 years	Vary according to period and amount of contributions. Invalidity: Full wage if insured 10 years or more, 75 per cent if from 5 to 10 years, and 50 per cent if less than 5 years; also medical treatment and medicines.	300 pesos ($37) for funeral expenses; return of unexpended amount to credit of deceased, if he so directed.	Central Fund for Compulsory Insurance and local funds.
Law of 1925	do	Salaried employees	80,220 insured in 1930.	5 per cent of pay; half of first month's pay; first month's increase in pay; 25 per cent of profit-sharing bonus.	5 per cent of salaries	None	Age, 50 years, or 30 years' service	Amount to credit in fund, with 5 per cent interest	Any unexpended balance to credit of deceased.	Welfare Board for Private Employees.
Cuba: Law of 1927	do	Maritime wage earners and employees.	About 50,000	3 per cent of pay up to $500 per month; first month's pay or 2 per cent of daily pay until $75 is reached.	1½ per cent of pay roll	do	Ordinary: Age, 50 years, after 20 years' service; at any age, after 25 years' service. Voluntary: Age, 50 years; 10 years' service.	Ordinary: Vary according to average pay of last 2 years; minimum, 75 per cent of average pay up to $100 per month; maximum, $150 per month. Voluntary: 3 per cent of ordinary benefit for each year of service.	If in need, benefit of deceased, half to widow, and half to children or parents, if any, otherwise all to widow.	Special board—chairman, and 2 representatives each of employers and of insured.
Law of 1929 (superseding laws of 1921 and 1923).	do	Wage earners and employees of railroads and street railways.	45,000 insured	3 per cent of pay; first month's pay; first month's increase in pay.	2 per cent of pay roll	do	Ordinary: Age, 55 years, after 25 years' service; 50 years, after 30 years' service; at any age, after 35 years' service. Voluntary: Age, 60 years; 10 years' service. Duty disability: No age or service requirements.	Old age and disability: Vary according to pay of highest-paid year; minimum, 65 per cent on salaries of $100 or less per month; maximum, $200 per month. Voluntary: 2 per cent of pay for each year of service.	None	Do.
Czechoslovakia: Law of 1906 (former Austrian law).	do	Salaried employees	309,148 in 1930, and 50,226 insured with private companies under law.	Vary according to annual earnings; minimum, 6 crowns (18 cents); maximum, 125 crowns ($3.70) per month.	Same as from insured	do	Age, men 65 years, women 60; 60 months' contributions. Disability: Age, men 60 years, women 55.	3,600 crowns ($107) per year, plus supplement varying, according to salary, from 2 to 50 crowns ($0.06 to $1.48), plus one-eighth of total benefit, for each child.	Widow, half of benefit of deceased; half orphans one-fourth and full orphans one-half of benefit.	General Social Insurance Institute.
Law of 1924	do	Wage earners	2,305,959 in 1929	Vary according to wage class; minimum, 1.30 crowns (3.9 cents); maximum, 4.20 crowns (12.5 cents) per week.	do	Grant of 500 crowns ($15) for each benefit.	Age, 65 years; 100 weeks' contributions. Disability: 100 weeks' contributions.	550 crowns ($16) per year, plus supplement varying, according to wage class, from 0.60 crown (1.8 cents) to 1.75 crowns (5.2 cents) for each week of contributions, plus one-tenth of total benefit for each child, plus State grant.	Widow, if disabled or 65 years of age or with 2 or more dependent children, half of benefit of deceased, for life; if able-bodied and under 65, lump sum equal to 1 year's benefit. Half orphans one-fifth and full orphans two-fifths of benefit of deceased, each.	Do.
Denmark: Law of 1927 (superseding laws dating back to 1891).	Pension	All citizens resident in Kingdom or having had service on Danish vessels for previous 5 years.	99,461 pensioners in 1929.	None	None	State, seven-twelfths of cost; local governments, remainder of cost and administrative expenses.	Age, 65 years (62 years, if earning capacity reduced by one-third or more); not paupers or vagrants. For full pension, private income not over 100 kroner ($27).	Vary, according to district, sex, and marital status, from 378 to 1,296 crowns ($101 to $347) per year.	None	Local governments, under supervision of Minister for Home Affairs.

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Table 2.—*Principal provisions of old-age pension and insurance systems in foreign countries*—Continued

Country, and date of original law	Type of system	Extent of system		Contributions			Conditions for receipt of benefits	Benefits		By whom administered
		Groups covered	Number of persons covered	Insured	Employer	Government		Insured	Survivors	
France: Law of 1850	Voluntary insurance.	All residents	800,000 annuitants in 1930.	Vary according to age and amount of annuity desired. Minimum contribution 3 francs (11.7 cents).	None	None	Age, 50 years	Maximum 30,000 frances ($1,176) per year	Refund of any unexpended amount to credit of deceased, if policy so provides.	Special committee of 22 members.
Law of 1905	Pension	All citizens	566,000 in 1929	None	do	Cost divided among commune, Department, and National Government, according to length of residence of pensioner.	Age, 70 years; citizen; permanent incapacity	30 to 60 francs ($1.18 to $2.35) per month, but pension added to resources must not exceed 2,400 francs ($94) a year.	None	Departmental or municipal authorities.
Law of 1908	Compulsory insurance.	Registered seamen	170,000 in 1930	5 per cent of wages	3.5 per cent of wages	Remainder of cost	Ordinary: Age, 50 years; 300 months' service. Voluntary: Age, 50 years; 180 months' service or more, with reduced benefit. Disability: 180 months' service.	Basic amount varying, according to wage class, from 3,600 to 7,200 francs ($141 to $282) a year, plus supplement based on years of service, plus allowance for each child.	Widow and/or children, half of benefit of deceased. Special pensions of 460 francs ($18) a year, in needy cases.	National Disabled Seamen's Institution.
Do	do	Cooks, stewards, and other unregistered ship's personnel.	36,000 in 1930	do	do	do	do	Basic amount, varying from 3,100 to 5,600 francs ($121 to $219) a year, plus supplement based on years of service, plus allowance for each child.	No data	Do.
Do	do	Combined membership of 2 preceding groups.	206,000 in 1930	1 per cent of wages	4 per cent of wages	do	Permanent incapacity. Dependent relative of deceased insured who was permanently incapacitated.	No data	do	Do.
Law of 1909	do	Wage earners and salaried employees on railroads.	446,000 in 1928	5 per cent of pay; first month's pay; first month's increase in pay.	15 per cent of pay roll	None	Locomotive engineers and firemen: Age, 50 years; 25 years' service (or 15 years' service in that capacity). Other employees: Age, 55 years; 25 years' service. Invalidity: 15 years' service. Duty disability: No age or service requirements.	One-half of average pay of 3 highest-paid years, but not less than one-fiftieth of average annual pay for each year of service.	Widow and/or children, half of benefit of deceased.	Railroad pension funds, under supervision of Minister of Public Works.
Law of 1914	do	Workers in mines and quarries	425,000 in 1929	5½ per cent of wages	Same as from insured	4½ per cent of wages	Age, 55 years; 30 years' service. Invalidity: Two-thirds incapacity; 10 years' service.	5,000 francs ($196) per year, plus 60 francs ($2.35) for each year of service above 30. Invalidity: 3,600 francs ($141) per year.	Widow, from 750 to 2,500 francs ($29 to $98) per year. Orphans, from 200 francs ($7.84) per year, if 1, to 300 francs ($11.76) if 3 or more.	Council of 6 representatives each of employers, insured, and the State.
Law of 1928	do	Workers earning not over 18,000 francs ($706) per year.	8,217,636 insured in 1930.	Vary, according to wage class, from 72 to 480 francs ($2.82 to $18.82) per year (includes contributions for other types of insurance also).	do	Subsidy based on estimated needs	Age, 60 years, but may be postponed to 65 years; 30 years' contributions. Voluntary: Age 55 years; 25 years' contributions. Invalidity: 2 years' contributions.	40 per cent of average annual pay, at age 60 to 65 years; proportionate reduction at age 55. Invalidity: 40 per cent of annual pay, plus 1 per cent for each year of service over 30; maximum 50 per cent of pay.	Death benefit: Lump sum equal to 20 per cent of average annual pay; minimum, 1,000 francs ($39); maximum, two-thirds of average annual pay.	Ministry of Labor.
Germany: Law of 1889	do	Wage earners (including domestic servants and home workers), crews of German vessels, and assistants and apprentices not eligible to salaried employees' old-age insurance.	18,000,000 insured in 1929.	Vary, according to wage, from 0.3 to 2 marks (7.1 to 47.6 cents) per week.	Same as from insured, except that in case of workers earning less than 6 marks ($1.43) per week employer also pays worker's share.	Annual bonus for each benefit; administrative expenses.	Age, 65 years; 200 weeks' contributions. Invalidity: Loss of two-thirds of earning capacity.	Basic amount—168 marks ($40) per year—plus 20 per cent of contributions since Jan. 1, 1924, plus allowance for previous contributions, plus State bonus; also medical treatment and medicines.	Widow, if 65 years of age or disabled, six-tenths of basic benefit of deceased, plus 12 per cent of contributions, plus State bonus. Orphans, five-tenths of basic benefit, plus 10 per cent of contributions, plus State bonus.	District insurance offices under Provincial governments; Federal Insurance Office.
Law of 1911	do	Salaried employees earning not over 8,400 marks ($2,000) per year.	3,500,000 insured in 1930.	Vary, according to salary, from 1 to 15 marks ($0.24 to $3.57) per month.	Same as from insured, except that in case of employees earning less than 50 marks ($12) per month, employer also pays worker's share.	None	Age, 65 years; 60 months' contributions. Disability: 60 months' contributions; loss of half of earning capacity.	Basic amount—480 marks ($114) per year—plus 15 per cent of contributions since Jan. 1, 1924, plus allowance for previous contributions. Disability: Same as for old age, plus 120 marks ($28.56) per year for each child.	Widow six-tenths and orphans five-tenths of benefit of deceased, exclusive of children's allowance.	Federal Insurance Office for Salaried Employees, under Ministry of Labor.
Do	do	Bank employees	66,067 insured in 1930.	45 per cent of cost	55 per cent of cost	do	do	Basic amount—840 marks ($199) per year—plus, for each month of contributions, an amount varying, according to wage class, from 30 to 1,100 pfennigs ($0.07 to $2.62).	Widow six-tenths and orphans five-tenths each of benefit of deceased; total survivors' benefit not more than full benefit of deceased.	Bank Employees' Insurance Association.
Law of 1923	do	Miners, salaried employees earning less than 8,400 marks ($2,000) per year, and all wage earners.	676,383 insured in 1930.	Wage earners about 5.1 per cent and salaried employees from 6 to 7.9 per cent of pay.	For wage earners 3.4 per cent, and for salaried employees 4 to 5.3 per cent of pay.	75,000,000 marks ($17,850,000) in 1929	Age, 65 years, or permanent incapacity; optional, at 50, after 300 months' contributions.	Wage earners: Basic amount—168 marks ($40) per year—plus varying percentage of contributions, plus 120 marks ($28.56) for each child, plus State grant. Salaried employees: Same as for wage earners, except that basic amount is 40 marks ($9.52) per month. Also medical treatment.	Widow, three-fifths of benefit of deceased. Orphans of salaried employees, one-half of benefit of deceased; orphans of wage earners, one-fifth of old-age benefit or one-half of invalidity benefit each.	National Federation of Mine Workers.
Great Britain: Laws of 1908 to 1924.	Pension	British subjects for 12 years, with income of less than £49 17s. 6d. ($242.72) a year.	No data	None	None	Entire cost	Age, 70 years; income less than £49 17s. 6d. ($242.72) a year.	1 to 10s. ($0.24 to $2.43) per week, according to income	None	Customs commissioners.
Law of 1925	Compulsory insurance.	All wage earners 16 years and over, and nonmanual workers earning not over £250 ($1,217) per year.	16,500,000 under health insurance acts in 1928.	Men, 9d. (18 cents) per week; women, 6d. (12 cents) per week. (Includes contributions for health insurance also.)	For men, 9d. (18 cents) per week; for women, 7d. (14 cents) per week. (Includes contributions for health insurance also.	£4,000,000 ($19,466,000) a year, for 10 years from 1926–27.	Age, 65 years	10s. ($2.43) per week to insured; same amount to wife of insured between 65 and 70 years of age.	Widow, 10s. ($2.43) per week, plus 5s. ($1.22) for first child and 3s. (73 cents) for each other child. Full orphans, 7s. 6d. ($1.83) per week.	Ministry of Health.

TABLE 2.—*Principal provisions of old-age pension and insurance systems in foreign countries*—Continued

Country, and date of original law	Type of system	Extent of system		Contributions			Conditions for receipt of benefits	Benefits		By whom administered
		Groups covered	Number of persons covered	Insured	Employer	Government		Insured	Survivors	
Greece: Law of 1922	Compulsory insurance.	Registered seamen	No data	3 to 30 drachmas (3.9 to 39 cents) a month, according to class, plus assessment of 150 to 1,000 drachmas ($1.95 to $13.00) in case of marriage.	Same as from insured	Receipts from sale of printed matter and fees for licenses, etc.	Age, 55 years; 25 years' service. Invalidity: 10 years' service. Duty disability: No age or service requirements.	One twenty-fifth of specified basic amount for each year of service. Invalidity: Total, one-half of basic amount, plus one-thirtieth thereof for each year of service over 10; partial, one-third of basic amount, plus two forty-fifths thereof for each year of service over 10. Duty disability: One twenty-fifth of basic amount for each year of service.	Widow, 70 per cent of benefit of deceased, plus 10 per cent for each child; orphans, 55 per cent of benefit of deceased, plus 15 per cent for each orphan after first.	Seamen's Invalidity Fund.
Law of 1923	do	Wage earners and salaried employees in industrial, handicraft, and commercial establishments, building, and transportation.	191,925 insured in 1927-28.	From 3 to 6 per cent of pay, as fixed by board (covers other types of insurance also).	do	None	No data	Amount set by special board	Amount set by special board	Ministry of National Economy.
Greenland: Law of 1926	Pension	All Greenlanders (except white persons).	10,000 Eskimo population in 1929.	None	None	State: 100 kroner ($27) if single and 150 kroner ($40) if married. District council, remainder of cost.	Age, 55 years; unable to support self; of good character	Amount set by district council; average in 1929 was 102 kroner ($27) per year	None	District councils.
Guernsey, Isle of: Law of 1926	do	British subjects for 10 years	No data	do	do	Entire cost	Age, 70 years; residence in Isle for 12 years after age 50, if native, and for 20 years after age 45, if naturalized; yearly income not over £40 ($195).	Vary, according to pensioner's means, from 1 to 8s. ($0.24 to $1.95) per week	do	States Old Age Pension Authority.
Hungary: Law of 1928	Compulsory insurance.	Wage earners (including home workers and domestic servants) and salaried employees earning up to 6,000 pengő ($1,049) per year.	627,967 in 1929, and 41,504 miners.	To general fund, including other insurance also: Wage earners, 1.714286 per cent; salaried employees, 2.142857 per cent of pay. Miners, wage earners 2.625 per cent, salaried employees 3.125 per cent of pay.	Same as from insured	Subsidy of 4,000,000 pengő ($699,600) for 1933-34, increasing 5 per cent a year for next 50 years; administrative expenses.	Age, 65 years; 400 weeks' contributions. Invalidity: 200 weeks' contributions; loss of earning capacity—wage earners two-thirds, salaried employees one-half. Miners: Age 65 years; optional at 60 after 40 years' contributions or 25 years' service underground.	120 pengő ($21) a year, plus 19 per cent of annual contribution for salaried employees and 24 per cent for wage earners; also 5 per cent of total benefit for each child up to maximum of 20 per cent. Miners: 20 per cent of basic pay (after 10 years' contributions), plus 2 per cent for each year of contribution over 10; maximum, 80 per cent after 40 years' contributions.	Widow, if 65 or a permanent invalid, half of benefit of deceased; otherwise, lump sum equal to his annual benefit; half orphans, 15 per cent of benefit of deceased, each; full orphans, 30 per cent each. Miners: Widow, 50 per cent of benefit of deceased; orphans, 15 per cent; maximum survivors' benefit, full benefit of deceased.	Hungarian National Social Insurance Institute and Private Employees' Insurance Institute.
Iceland: Law of 1909	do	All citizens, except those with annuities of at least 150 kroner ($40) per year.	500,000 in 1931	In capacity of citizen: Men, 1.50 kroner (40 cents), women, 0.75 krone (20 cents), per year.	In capacity of citizen only	0.50 krone (13 cents) for each taxable person.	Age, 60 years; unable to provide for self	Vary, according to means and need, from 20 to 200 kroner ($5.36 to $53.60) per year.	None	No data.
Irish Free State: Law of 1908	Pension	All citizens	114,709 pensioners in 1928 (includes 2,650 blind).	None	None	Entire cost	Age, 70 years (50 years, if blind); residence in British Isles for 12 years after age 50, if native, or 20 years, if not native; means not over £39 5s. ($191) per year.	Vary, according to private income, from 1 to 10s. ($0.24 to $2.43) per week	do	Revenue commissioners, under Department of Finance.
Italy: Law of 1898	Voluntary insurance.	Classes covered by compulsory insurance, independent workers, and members of liberal professions.	No data	Minimum, 18 lire (95 cents) a year	do	Grant of not over 100 lire ($5.26) per year for each benefit. Invalidity: Not over 120 lire ($6.31) per year for each benefit.	Age, men 60 years, women 55 years; 10 years' insurance. Invalidity: 5 years' insurance.	Vary with age at which insured and amount of contributions	In case of death of insured before beginning to draw benefit, refund of contributions.	National Fund for Social Insurance.
Law of 1919	Compulsory insurance.	All employees between 15 and 65 years of age in industry, trade or professions, including domestic service, home work, agriculture, and public service.	About 5,500,000 insured in 1929.	Vary, according to earnings, from 0.50 to 3 lire (2.6 to 15.8 cents) biweekly.	Same as from insured	100 lire ($5.26) per year for each benefit; administrative expenses.	Age, 65 years; 240 biweekly contributions; optional at 60, with reduced benefit. Invalidity: 120 biweekly contributions; loss of two-thirds earning capacity.	5 times the average annual contribution, plus three-tenths of total paid in contributions, plus State grant; also, one-tenth of total benefit for each child.	In case of death of insured before beginning to draw benefit, widow or orphans 50 lire ($2.63) per month for 6 months.	Do.
Japan: Law of 1926	Voluntary insurance.	All persons between 12 and 60 years of age.	178,036 contracts in 1928-29.	Vary according to contract	None	Administrative expenses	Immediate annuities: Age, 40 to 80 years. Deferred annuities: Age, 50, 55, 60, and 65 years as stipulated in contract.	Under installment-contribution plan: Minimum, 120 yen ($60); maximum, 2,400 yen ($1,198). Under single-payment plan: Minimum, 12 yen ($6); maximum, 2,400 yen, per year.	No data	Post office.
Lithuania (Memel Territory): Law of 1923	Compulsory insurance.	Wage earners and salaried employees over 14 years of age.	25,148 insured in 1930.	2 per cent of pay	Same as from insured	Grant of 96 lits ($9.60) for each benefit	No data	168 lits ($16.80) per year, plus 15 per cent of capital paid in, plus State grant	Widow, half of full benefit of deceased; orphans, one-fifth each; maximum survivors' benefit, 150 per cent of basic benefit of deceased.	Special board—3 representatives each of employers and workers.
Luxemburg: Law of 1925 (superseding law of 1911).	do	Wage earners and salaried employees over 16 years of age earning not over 10,000 francs ($278) per year.	50,000 under social insurance in 1928.	do	do	Grant of varying amount, of which commune pays 20 per cent.	Age, 65 years; 2,400 working-days' insurance. Invalidity: 1,200 working-days' insurance; loss of two-thirds of earning capacity.	Basic amount, 25 per cent of average annual earnings, plus supplement of 6 per cent for each year of insurance over 4, plus State grant, plus children's allowance. Invalidity: Same as above, except that supplement is at rate of 8 per cent.	Widow, if 55, invalid with 3 children or 1 child totally incapacitated, half of benefit of deceased; orphans, one-fifth of benefit; maximum survivors' benefit, full benefit of deceased.	Old-Age and Invalidity Insurance Institute.
Law of 1931	do	All salaried employees under 25 years of age not under law of 1925.	Not yet in operation.	6 per cent of pay	do	Grant varying, according to amount of benefit, from 250 to 500 francs ($7 to $14) per benefit; half of cost of administration.	Age, 66 years; 60 months' contributions	3,600 francs ($100) per year, plus 14 per cent of total contributions, plus 1,200 francs ($33) for each child, plus State grant; maximum, five-sixths of highest annual earnings.	Widow, six-tenths of benefit of deceased; half orphans, two-tenths; full orphans, four-tenths; maximum survivors' benefit, full benefit of deceased.	Commission—at least 5 representatives each of employers and workers and 1 of State.

TABLE 2.—*Principal provisions of old-age pension and insurance systems in foreign countries*—Continued

Country, and date of original law	Type of system	Extent of system		Contributions			Conditions for receipt of benefits	Benefits		By whom administered
		Groups covered	Number of persons covered	Insured	Employer	Government		Insured	Survivors	
Netherlands: Law of 1913	Compulsory insurance	Wage earners over 14 years of age, earning not over 2,000 florins ($804) per year.	2,547,099 insured in 1930.	None	From 0.25 to 0.60 florin (10 to 24 cents) weekly per employee, according to sex and age.	17,623,000 florins ($7,084,446) per year	Age, 65 years. Invalidity: 150 weeks' contributions	Basic amount—260 times total contributions, divided by number of weeks' insurance—plus 11.2 per cent of total contributions, but not less than one-fifth of basic amount; also medical treatment.	Widow, one-fifth more than basic benefit of deceased; orphans the same.	National Insurance Bank, Insurance Board, and State labor boards.
Law of 1919	Voluntary insurance.	All Netherlanders, wherever residing	179,264 insured in 1930.	Vary according to age at which insured, and amount of contract.	None	31,600,000 florins ($12,703,000) per year	As provided in contract	As provided in contract; maximum, 20 florins ($8) per week	No data	Do.
Newfoundland: Law of 1911	Pension	All residents of Newfoundland for 20 years.	3,000 pensioners	None	do	Entire cost	Age, 75 years; 20 years' residence; pension necessary for support.	$50 a year	Widow, same pension	Department of Finance.
New Zealand: Law of 1898	do	All residents of New Zealand for 25 continuous years, except certain Maoris, aliens, and Asiatics.	28,995 pensioners in 1931.	do	do	do	Age, men, 65 years; women, 60; but if 2 or more children under 15, men 60 years, women 55; income of less than £97 10s. ($474) per year if single and £143 ($696) if married.	Maximum, £45 10s. ($221) per year (reducible in accordance with income and value of property), plus maximum of £13 ($63) if 2 or more dependent children.	None	Pensions Department.
Norway: Law of 1923	do	All citizens resident in Norway or sailing under its flag at least half of time since reaching 16 years of age.	Not yet in operation.	do	do	Half by State (maximum, 300 kroner ($80) if single and 450 kroner ($121) if married), and half by local governments.	Age, 70 years	60 per cent of difference between income and basic sum (i. e., such sum that 60 per cent thereof secures the necessaries of life).	Death benefit 80 kroner ($21)	State Insurance Institute and local committees.
Paraguay: Laws Nos. 641, 842, and 1076.	Compulsory insurance.	Railway employees	916 insured	5 per cent of earnings up to 6,000 pesos ($136); first month's pay; first month's increase in pay.	2 per cent of pay roll and amount equal to 2 per cent on all freight transported.	None	Ordinary: Age, 45 years; 25 years' service; optional at earlier age, after 25 years' service, with reduced benefit. Voluntary: At over 45 years, after 10 years' service. Disability: 10 years' service. Duty disability: No age or service requirements.	Ordinary: Average annual pay for last 5 years. Voluntary: 20 per cent of ordinary benefit. Disability: 40 per cent of ordinary benefit. Duty disability: 60 per cent of ordinary benefit.	Total survivors' benefit, 50 per cent of benefit of deceased.	Board—2 representatives each of employers and workers, and chairman appointed by President.
Poland: Old Prussian law.	do	Manual workers (in former German territory only).	926,000 in 1928	No data	No data	No data	No data	No data	No data	No data.
Old German law.	do	Common laborers on railroads (former German territory).	86,586 in 1928	Half of required contribution	Half of required contribution plus 25 per cent of total contributed.	do	do	do	do	Do.
Old Austrian law of 1889.	do	Miners (former Austrian territory)	11,325 in 1928	Subject to by-laws of association, but not less than 6.20 zlotys (70 cents) per month.	No data	do	do	Subject to by-laws, but not less than 240 zlotys ($27) per year	Widow, half of benefit of deceased; full orphans one-half, half orphans one-fourth of such benefit; maximum survivors' benefit, full benefit of deceased.	Miners' associations, under supervision of Ministry of Labor and Social Welfare.
Law of 1928	do	Salaried employees between 16 and 60 years of age.	225,081 insured in 1928.	Vary, according to salary, from nothing to three-fifths of 8 per cent of salary (covers other types of insurance also).	Vary, according to salary, from two-fifths to all of 8 per cent of salary (covers other types of insurance also).	None	Age, 65 years; or men 60 years, 480 months' contributions, women 55 years, 420 months' contributions.	40 per cent of basic salary, plus one-sixth of 1 per cent for each month of contributions over 120; maximum, three-fifths of basic salary.	Widow, three-fifths of benefit of deceased; half orphans one-fifth and full orphans two-fifths of such benefit each.	Association of Fund Offices and local funds.
Portugal: Law of 1919	do	All persons between 15 and 65 years of age earning less than 900 escudos a year.	No data	1½ per cent of earnings up to 900 escudos per year.	8 per cent on wages or salaries up to 900 escudos per year.	13.33 escudos for each soldier recruited; administrative expenses.	Age, 70 years; 1,410 weeks' contributions	Full benefit, total amount of annual earnings	In case of death of insured before beginning to draw benefit, orphans 10 escudos per month for 6 months, widow (without children) 10 escudos per month for 5 months.	National Institute of Insurance and Welfare.
Law of 1928 (superseding law of 1919).	do	All persons (including domestic servants) between 15 and 65 years of age earning not over 9,000 escudos a year.	Estimated at 2,000,000, but system not yet in operation.	2½ per cent of earnings	Same as from insured	None	Age, 65 years; 480 weeks' contributions. Invalidity: 240 weeks' contributions.	90 per cent on first 240 contributions, plus 60 per cent on next 240 contributions, plus 18 per cent on all subsequent contributions.	No data	Do.
Rumania: Law of 1912	do	Old Kingdom and Bessarabia: Specified trades or professions and workers in industry, mines, and quarries. Transylvania: Workers in commerce, industry, and mining. Bukowina: Workers in commerce or industry.	Average of 620,000 insured.	Vary from industry to industry	do	Vary according to condition of national budget.	Old Rumanian law: Age, 65 years; 1,200 weeks' contributions. Invalidity: 200 weeks' contributions.	Old Rumanian law: A fixed proportion of invalidity benefit; cost-of-living bonus. Invalidity: 150 lei, plus 0.19 leu for each week of contributions over 200; cost-of-living bonus.	do	Central insurance authority in each section of country.
South Africa, Union of: Law of 1928	Pension	All white residents of South Africa; also colored (except Asiatics, Africans, Hottentots, Bushmen, Korannas, and American Negroes).	52,718 pensioners in 1930.	None	None	Entire cost	Age, 65 years; income not over pension schedule; 15 years' residence in Union; British subject for 5 years.	Vary according to private income and whether white or colored, from £3 to £30 ($15 to $146) per year.	None	Commissioner of Pensions and district pensions officers.
Spain: Law of 1919	Compulsory insurance.	Wage earners between 16 and 65 years of age, earning not over 4,000 pesetas ($772) a year.	3,395,212 insured in 1930.	None, if under 45 years of age; if over that age, contributions vary according to benefits desired; minimum contribution, 1 peseta (19.3 cents) per month.	3 pesetas (58 cents) monthly per worker, under 45 years, in service at least 1 month and 10 centimes (1.9 cents) per day for those in service less than 1 month.	1 peseta (19.3 cents) per month for each worker under 45 years of age; over that age 5 per cent of worker's contributions; maximum contribution 3 pesetas (58 cents) per worker per year.	Age, 55, 60, or 65 years, according to type of insurance chosen.	Maximum, 3,000 pesetas ($579) a year under alienated capital plan and 5,000 pesetas ($965) under reserved capital plan.	As provided in contract	National Provident Institute.

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TABLE 2.—*Principal provisions of old-age pension and insurance systems in foreign countries*—Continued

Country, and date of original law	Type of system	Extent of system		Contributions			Conditions for receipt of benefits	Benefits		By whom administered
		Groups covered	Number of persons covered	Insured	Employer	Government		Insured	Survivors	
Sweden: Law of 1913	Compulsory insurance	Citizens between 17 and 67 years of age.	3,728,000 insured in 1929.	Vary, according to annual assessed income, from 3 to 33 kroner ($0.80 to $8.84) per year.	None	Unpaid contributions, by local government; three-fourths of supplementary benefits by State and one-fourth by communes and county councils.	Age, 67 years. Invalidity: Any age	Basic benefit—a percentage of contributions, varying according to age at which insured—plus supplement for low incomes. Average benefit (1929) 160 kronor ($43) per year. Invalidity: Basic benefit, plus supplement for low incomes, plus children's allowance.	None	Royal Pensions Board and local insurance committees.
Switzerland: Canton of Neuchatel—Law of 1898	Voluntary insurance.	Residents of Canton and natives resident elsewhere.	11,523 insured in 1929.	Vary according to age at which insured	do	For old-age annuity: From 1.32 to 2.75 francs (25 to 53 cents) per monthly benefit of 10 francs ($1.93), according to age. For death benefit: From 19 to 48 centimes (4 to 9 cents) per 100 francs ($19.30) of capital insured, according to age. Also administrative expenses.	Age, 60 years	Maximum, 300 francs ($58) a month	Death benefit: Lump sum—minimum, 100 francs ($19.30); maximum, 10,000 francs ($1,930).	Cantonal insurance fund and local insurance committees.
Canton of Vaud—Law of 1907	do	do	52,503 insured in 1929.	Vary according to benefits desired	do	From 6 to 12 francs ($1.16 to $2.32) per year, according to amount of benefit.	Age, 50 to 65 years. Invalidity: Any age	Vary according to amount of contributions; minimum, 6 francs ($1.16) plus State grant; maximum, 3,000 francs ($579) per year. Invalidity: Vary according to age and amount of contribution.	None	Cantonal insurance fund.
Canton of Glarus—Law of 1916	Compulsory insurance.	All persons between 17 and 50 years of age.	19,055 insured in 1929.	6 francs ($1.16) a year	do	85,000 francs ($16,405) a year, and administrative expenses, by Canton, and 1 franc (19.3 cents) per inhabitant by local governments.	Age, 65 years, after 400 francs ($77) contributions. Invalidity: Any age.	From 180 to 300 francs ($35 to $58) a year. Invalidity: From 150 to 300 francs ($29 to $58) a year.	do	Cantonal insurance fund and local insurance committees.
Canton of Appenzell (Ext.)—Law of 1925	do	All persons between 18 and 64 years of age.	38,604 insured in 1928.	10 francs ($1.93) a year	do	1.50 francs (29 cents) per inhabitant by Canton and 50 centimes (10 cents) per inhabitant by local governments per year.	Age, 65 years	Men, from 200 to 400 francs ($39 to $77) a year; women, from 150 to 300 francs ($29 to $58) a year.	do	Do.
Canton of Bale-Ville—Law of 1930	do	All persons between 20 and 50 years of age, resident in Canton for 2 years.	No data	Vary according to sex and income, from 50.40 to 112 francs ($9.73 to $21.62) per year.	do	Vary according to salary group and family responsibilities.	Age, men 65 years, women 60	Vary according to years of contribution—men, from 180 to 720 francs ($35 to $139); women, from 150 to 600 francs ($29 to $116).	Widows, death benefit of 500 francs ($97). Orphans, from 300 francs ($58), if 1 child, to 1,000 francs ($193) if 5 or more.	Cantonal department of interior and special committee.
Uruguay: Law of 1919	do	All natives; also foreigners and naturalized citizens, with 15 years' residence in Uruguay.	33,828 pensioners in 1930.	None	20 centesimos (20.7 cents) per month for each wage earner.	Revenue from special taxes	Age, 60 years, or entirely disabled and in abject poverty	Minimum, 96 pesos ($99) a year; maximum, 120 pesos ($124) a year	None	State Insurance Bank, General Board of Direct Taxes, and National Labor Office.
Do	do	Public-service employees and wage earners.	51,500 insured in 1930.	4 per cent of pay; first month's increase in pay, if pay is over 50 pesos ($52).	8 per cent of pay roll	Revenue from special tax; any deficit.	Ordinary: 30 years' service. Voluntary: 50 years, after 10 years' service, with reduced benefit. Invalidity: 10 years' service. Duty disability: No service requirement.	Ordinary: Vary according to income class; minimum, full pay, if wages are 50 pesos ($52) or less per month. Voluntary and invalidity: One-thirtieth of ordinary benefit for each year of service.	In order, widow, children, dependent parents, and dependent unmarried sisters, half of benefit of deceased.	Board—3 representatives each of employers, workers, and Government.
Law of 1928	do	Wage earners and employees of limited-liability companies.	157,900 insured in 1930.	5 per cent of pay; first month's increase in pay.	9 per cent of pay roll and 0.3 per cent of gross sales.	None	Ordinary: 30 years' service. Voluntary: 50 years, after 10 years' service, with reduced benefit. Invalidity: 10 years' service.	do	do	Do.
Do	do	Journalists and printers	4,100 insured in 1930.	do	6 per cent of pay roll.	Revenue from special tax on foreign newspapers.	do	do	do	Do.
Law of 1925	do	Bank and stock-exchange employees	1,787 insured in 1929.	To general fund, including other insurance also: 5 per cent of salary; first month's increase in salary.	To general fund, including other insurance also: 12 per cent of salaries; tax on amounts loaned by bank.	None	Full benefit, age 60 years, 30 years' service; deduction of 1 year from age limit for each year of service over 30; optional after 10 years' service, with reduced benefit.	Vary according to average annual salary of last 5 years up to 960 pesos ($993); average salary above that amount reduced 15 per cent; maximum benefit 400 pesos ($414) per month.	After 10 years' service: Death benefit of half of benefit of deceased, plus 19 per cent for each orphan; maximum, full benefit; bonus of 6 months' salary. Less than 10 years' service: Total survivors' benefit, lump sum of 1 month's salary for each year of service.	Council—2 representatives each of employers and workers and 1 of Government.
Yugoslavia: Law of 1922	do	All wage earners (except agricultural workers and miners) earning not over 48 dinars ($9.26) per day.	Not yet in operation.	1½ per cent of basic daily wage	Same as from insured	No data	Age, 70 years. Invalidity: Any age	Average annual contribution multiplied by 8, if 200 to 500 weeks' contributions, and by 12 if 500 weeks' contributions or more.	No data	Ministry of Social Policy.

Argentina

By Ralph Miller, *American Vice Counsel, Buenos Aires*

Argentina has as yet no old-age pension or insurance system covering all classes of workers. There are, however, old-age insurance systems, established by Federal legislation, for three classes of workers—namely, railway workers, employees of public utilities other than railroads, and bank employees. In addition, the Provinces of Cordoba and Mendoza have old-age pension systems for all resident citizens.

In 1923 a Federal act was passed providing for a compulsory contributory old-age insurance system for the country as a whole, but owing to certain administrative difficulties its operation was suspended by Congress.

An account of each of the above systems is given below.

Railway Employees' Insurance System

The law of June 21, 1915, provided for a national fund for retirement annuities and pensions for railroad workers, but it was not until April 24, 1919, that the organic law which made operative the present system of compulsory insurance for railway employees was passed. This law was clarified by the law of September 29, 1921, and by the law of November 24, 1923.

Coverage of System

The following classes of workers must insure under the law: Permanent employees and workers on railroads under national jurisdiction, including State railroads; those of port and warehouse enterprises of the Republic which have railways on their property, whatever their function; those of the central fruit market; those of cable railway enterprises, and of the fund created by this law; physicians, dentists, and other employees of mutual-aid societies connected with the enterprises and to whose support the latter contribute or have contributed, and who render or have rendered services to the same; employees of confectioners' shops, whether the latter are carried on directly by the railway enterprises or by third parties; and the employees of the railroad information bureaus.

Contributions

Employees covered by this law must contribute 5 per cent of their monthly earnings or salaries up to 1,000 paper pesos ($424.50)[1]; for salaries above that amount the contribution will be on the basis of

[1] Conversions into United States currency on basis of paper peso equals 44 per cent of gold peso (par value, 96.48 cents), or 42.45 cents.

1,000 pesos ($424.50). An employee entering the railway service for the first time, or reentering after a period of absence, must contribute the amount of his first month's salary, payable in 24 monthly installments. When an employee's salary is increased he must contribute for the first month the difference between the increased monthly salary and his former monthly salary. The railway companies must contribute 8 per cent of the total salaries of all their employees receiving not over 1,000 pesos ($424.50) per month; salaries of more than 1,000 pesos per month are counted as 1,000 pesos per month for the purpose of contribution. The companies must also contribute all excess sums paid by the public and not claimed within one year. Any deficit is paid by the State.

Benefits

The law provides for three types of benefits: (1) Ordinary benefits, (2) disability benefits, and (3) voluntary retirement benefits.

Ordinary benefits.—Ordinary retirement annuities are granted to employees who have had 30 years' service and have reached the age of 50. When an employee has had 30 years' service and is over 45 years of age but not yet 50, he may retire on an annuity 25 per cent less than he would receive had he reached the age of 50.

The amount of the ordinary retirement annuity is calculated on the basis of the average monthly wage or salary received by the employee during his last five years of service, according to the following scale: For average wage or salary up to 120 pesos ($50.94), the amount of the average wage; for average wage or salary between 120 pesos ($50.94) and 300 pesos ($127.35), 120 pesos ($50.94) plus 80 per cent of the difference between the wage or salary and 120 pesos ($50.94); for average wage or salary between 300 pesos ($127.35) and 1,000 pesos ($424.50), 264 pesos ($112.07) plus 70 per cent of the difference between the average wage or salary and 300 pesos ($127.35). Average wages or salaries of over 1,000 pesos ($424.50) are counted as 1,000 pesos for the purpose of determining benefits.

Disability benefits.—Benefits are granted, after five years' service, for physical or mental disability. They are granted without regard to length of service when permanent disability was incurred in line of duty. This benefit is calculated at the rate of 10 per cent of the ordinary benefit for each year of service up to the maximum.

Voluntary retirement.—If any employee has had more than 10 but less than 30 years' service, a benefit may be granted, when he has reached the age of 50, amounting to 2 per cent of the ordinary benefit for each year of service.

Survivors' benefits.—Survivors' benefits are granted to the survivors of railway employees who at the time of death are receiving or are entitled to a benefit under this law, or who, having had 10 years' service, die while in active service. The survivors' benefit amounts to 50 per cent of the ordinary benefit, the minimum benefit being 100 pesos ($42.45) per month. Widows, invalid widowers, dependent children, dependent parents, and unmarried sisters are eligible to receive this benefit. One half of the benefit goes to the widow or widower and the other half is distributed equally among the other dependent relatives.

Administration

The administration of this system is in the charge of the National Fund for Retirement Annuities and Pensions of Railway Employees, created by the law. The board of directors of the fund consists of a chairman appointed by the President of the Republic, four representatives of the employers, and four representatives of the insured employees. The term of office of the board of directors is four years. The chairman acts as the executive head of the board and casts a vote in case of a tie. The board submits annually its budget of expenses of administration, which must not exceed 3 per cent of the total receipts, and of the benefits to be paid, which must be approved by the President before going into effect.

Statistics of Operation

The number of persons covered by the law as of December 31, 1929, was 143,843, and the number receiving benefits, 22,408. The average benefit received was 1,036.58 pesos ($440.03) per year.

During 1929 the receipts were 64,504,295.48 pesos ($27,382,073.43), the expenditures 63,957,794.99 pesos ($27,150,083.97), and the administrative expenses 1,194,922.77 pesos ($507,244.72).

Bank Employees' Insurance System

Coverage of System

A law of October 9, 1923, provided for the establishment of a national fund for retirement annuities and pensions for bank employees, but the organic act under which this fund now operates was not passed until December 5, 1929. It provides for compulsory insurance of the employees of all privately owned banking enterprises in Argentina. Official and semiofficial banks of the Provinces and municipalities may also receive the benefits of this law upon the application of the majority of their employees.

Contributions

To provide the capital of the retirement fund the following compulsory monthly deductions from the salaries of all persons covered by the law are made: On salaries up to 500 paper pesos ($212.25), 5 per cent; on salaries over 500 to 1,000 pesos (over $212.25 to $424.50), 6 per cent; on salaries over 1,000 to 1,500 pesos (over $424.50 to $636.75), 7 per cent. Salaries above 1,500 pesos ($636.75) are considered as 1,500 pesos for the purposes of the deduction. An employee must also contribute the total amount of his first month's salary on entering any banking organization covered by the law, but the contribution may be made in 20 monthly installments. When an employee receives an increase in salary, he must contribute the difference between his first month's salary on the new basis and his previous salary. The banks covered by the law make a monthly contribution of 8 per cent of the total salaries paid to their personnel. The retirement fund also receives the fines imposed for the infringement of its regulations and interest on its investments.

According to the law, 50 per cent of the resources of the fund are to be invested in securities either of the Argentine Government or guaranteed by the Government. The remaining 50 per cent is to be invested in loans to persons covered by the law, for the purpose of building houses.

Benefits

The law provides for three types of benefits: (1) Ordinary benefits, (2) disability benefits, and (3) voluntary retirement benefits.

Ordinary benefits.—The ordinary benefit is granted to all employees who have worked 30 years with banking concerns and have reached the age of 50. The amount of the benefit is based on the average salary received during the last five years of service up to a maximum of 1,500 pesos ($636.75), and is determined according to the following scale: For salaries up to 500 pesos ($212.25), 75 per cent; for salaries over 500 to 1,000 pesos (over $212.25 to $424.50), 70 per cent; for salaries over 1,000 to 1,500 pesos (over $424.50 to $636.75), 65 per cent.

Employees who are credited with 30 or more years' service with banking concerns, and who are over 45 but under 50 years of age, are allowed benefits at the above rates minus 5 per cent for each year which they lack of being 50.

Employees who continue in the banking service after they have reached the age of 50, and who have had 30 years' service, are entitled to a bonus of 1½ per cent of the ordinary benefit for each year they continue in the service, up to a maximum of 90 per cent.

Invalidity benefits.—Invalidity benefits are granted to employees who, after 10 years' service in banking institutions, are found to be physically or mentally unfit for the continuation of such work or for any other work suited to their ability and training. Companies falling under the provisions of this law are prohibited from discharging men claiming such a benefit until the claims have been investigated by the retirement fund. After the examination of such a claim, the benefit either will be granted or the banking institution in question will be required to retain the services of the employee, paying him his usual salary.

These benefits are computed on the basis of the regular benefit and amount to 3½ per cent of the latter for every year of service, up to a maximum of 30 years.

Employees who become disabled before having completed 10 years' service in banking institutions are entitled to as many months' average salary as the number of years in which they contributed to the retirement fund.

A special benefit is granted to employees who are permanently disabled as a result of an accident in the ordinary course of employment. This benefit amounts to 40 per cent of the employee's salary during his last 5 years' service plus a bonus of 2 per cent for every year of service, up to a maximum of 30 years.

Voluntary retirement.—Employees who have worked for banking institutions for a period of over 20 years, but who have not served the necessary length of time to entitle them to an ordinary benefit, are granted a special benefit amounting to 2 per cent of the ordinary benefit for every year of service.

Survivors' benefits.—In case of the death of a bank employee who has been granted, or who has a right to, any of the above-mentioned benefits, the following survivors have the right to apply for a benefit: The widow; the widower if unable to work; the children, or in their absence, the parents; or, in the absence of any of the above, the unmarried sisters of the deceased who have been supported by him.

The amount of this benefit is equal to 50 per cent of the benefit the deceased was receiving or had a right to receive and is distributed as follows: One-half to the widow or disabled widower and the remainder equally among the children or parents of the deceased. In the absence of children or parents the whole benefit goes to the widow or widower.

A special benefit is granted to the family of a bank employee who dies after working for less than 10 years with banking institutions, amounting to as many months' average salary as the number of years the employee has contributed to the retirement fund.

Administration

The administration of the Bank Employees' National Retirement Fund is in charge of a board of directors, consisting of a chairman appointed by the President of the Republic, two representatives of the banks, and two representatives of the employees. In the election of the representatives of the banks, each bank has a number of votes proportionate to the funds contributed by it to the retirement fund during the previous year, but the two bank representatives can not be members of the same bank. The representatives of the employees are elected by secret ballot. The term of office of members of the board is three years.

Statistics of Operation

On December 31, 1929, there were 9,205 people covered by the law, and 410 persons were receiving benefits aggregating 280,980.37 pesos ($119,276.17).

During the year 1929 the receipts of the pension bureau were 6,215,889.13 pesos ($2,638,644.94) and the operating expenses were 145,074.61 pesos ($61,584.17), or 2.33 per cent of the receipts.

Public-Utility Employees' Insurance System

Coverage of System

The law of February 11, 1921, established a national fund for retirement benefits for permanent wage earners and salaried employees of private street-car, telephone, telegraph, gas, electricity, and radiotelegraph enterprises.

Contributions

The insured contribute 5 per cent of their wages or salaries up to 1,000 pesos ($424.50) per month, the amount of one month's wages of each of the permanent employees, the first month's wage or salary of each person who becomes a permanent employee, and the amount of the first month's increase in wages or salaries. Employers contribute 8 per cent of the wages or salaries of all their employees, provided the wage does not exceed 1,000 pesos ($424.50); in case it does, the contribution is only on that amount. The amount of the contribution of the State is to be determined after a census of workers. Up to the present no contribution has been made by the State.

In accordance with the law, 50 per cent of the funds received as contributions will be invested in securities of the Argentine Government. The remaining 50 per cent will be used for the purpose of making loans to employees covered by the law, under regulations prescribed by the law.

Benefits

The full ordinary retirement benefit is granted after 30 years' service at the age of 50 years, and the ordinary benefit, reduced by 5 per cent for each year of age which he lacks of 50, is granted to an employee who has rendered 30 years' service, is over 45 years of age, and wishes to retire.

The amount of the old-age benefit is calculated on the basis of the monthly average wage or salary during the last 5 years' service, as follows: (1) For wages not exceeding 100 pesos ($42.45), the benefit amounts to 95 per cent of the wages; (2) for wages between 100 pesos ($42.45) and 300 pesos ($127.35), the benefit amounts to 95 pesos ($40.33) plus 80 per cent of the difference between 100 pesos ($42.45) and 300 pesos ($127.35); (3) for wages between 300 pesos ($127.35) and 1,000 pesos ($424.50), the benefit amounts to 255 pesos $108.25) plus 70 per cent of the difference between 300 ($127.35) and 1,000 pesos ($424.50).

A voluntary retirement benefit, calculated at 2 per cent of the ordinary retirement benefit for each year of service, may be granted to workers 50 years of age who have 10 and less than 30 years' service. A disability retirement benefit, calculated at 5 per cent of the ordinary retirement benefit for each year of service, is provided for workers who after 10 years' service are incapacitated for work. There is no service requirement for workers permanently incapacitated in the line of duty.

The survivors' benefit amounts to 50 per cent of the benefit of the deceased. One half of it goes to the widow and the other half to the children or parents; in the absence of either children or parents the entire benefit goes to the widow.

Administration

Administration of the retirement annuity and pension fund is in charge of a board of directors composed of a chairman appointed by the President, a representative of the employers, and a representative of employees in each one of the public services coming under this law, the following being declared for the purposes of this provision to be separate services: Street cars, telegraphs and radiotelegraphy, telephones, gas and electricity, water works, and sanitary service.

Statistics of Operation

On December 31, 1929, there were 41,908 persons covered by the law, and in the preceding year there were 41,481.

The benefits granted in 1929 amounted to 4,908,322.53 pesos ($2,083,582.91), an increase of 540,505.24 pesos ($229,444.47) over those granted during the preceding year.

During 1929 the employees and workers of the several enterprises made 62 applications for loans to be used for the purchase of dwellings, which represented an expenditure of 417,506.78 pesos ($177,-231.63).

General Act of 1923 (Suspended)

Coverage of System

The law of November 22, 1923, provided compulsory insurance against old age for wage earners and salaried employees in the Argentine merchant marine, in industrial establishments, the printing and publishing industry, and mercantile establishments. Wage earners and salaried employees of mutual-benefit societies and trade-unions were permitted to enter the system, provided such societies and unions paid the employers' contributions.

Wage earners under the age of 18 years and home workers were excluded from the insurance. No upper wage limits were set by the law, nor did the law specify the amounts of the benefits or the exact conditions under which the benefits were to be granted, as these were to be determined later by a technical committee.

Contributions

The contributions by the workers and employees and their employers were fixed as follows: (1) Contribution by the insured of 5 per cent of his monthly wages up to 1,500 pesos ($636.75); (2) contribution of the first month's wage or salary by the insured upon entering employment in an industry under the insurance act; (3) contribution of the first month's increase of wage or salary by the insured; (4) contribution by the employers of 5 per cent of the total wages and salaries paid to their permanent workers and employees.

The funds were also to be increased by the interest on the capital invested, by fines, unclaimed benefits, and other special sources provided by the law.

Benefits

The law provided for four kinds of benefits: (1) Ordinary old-age benefits, (2) disability benefits, (3) benefits for disability due to the employment, and (4) survivors' benefits.

Administration

A special independent fund was formed for each group of employees. A board of directors of social welfare funds was to be in charge of the insurance. The board consisted of a president appointed by the President of the Republic and 8 members, of whom

4 were representatives of the workers and employees and 4 were representatives of the employers.

This board was to fix an annual budget, to be approved by the President of the Republic. All money transactions were to be supervised by the State general accounting department. The amount of benefits to insured persons was to be determined on an actuarial basis by a special committee appointed by the board of directors. The cost of the administration of the system was to be met from the general reserve capital, and, according to the law, the cost was not to exceed 3 per cent of the reserve capital.

Suspension of System

As the contributions by the employees and their employers were rather large, and the time when the benefits would be received and the exact conditions for receiving them were indefinite, the application of the act met with insurmountable difficulties.

During the first year the aggregate amount of the contributions was 30,000,000 pesos ($12,735,000), and the number of insured persons was about 100,000. Both employees and employers protested, and a large number of the employers refused to make contributions. The board of directors instituted legal proceedings against them, but early in 1926 the Supreme Court of the Republic decided the cases against the board, for the reason that the administration of the insurance system was incompletely constituted and the act itself was vague in a number of particulars. The National Congress finally suspended the operation of the system until Congress either modifies it or adopts another law. During the latter part of the year 1930, the pension bureau created by this law started to return the money which had been contributed to it, and it was announced that all contributions would be returned.

Provincial Pension and Insurance Systems

Province of Cordoba

Coverage of system.—The law of January 7, 1920, provides an old-age pension system for all the inhabitants of Cordoba under the following conditions: (1) Age, 60 years; (2) Argentine citizen with 15 years' residence in Argentina, or a foreigner with 30 years' residence in Argentina, and in both instances a 10 years' residence in the Province of Cordoba; (3) an income not higher than 30 pesos ($12.74) per month; and (4) not convicted of any crime.

Contributions.—This is a noncontributory system. To provide the funds for the administration of the law a special bureau was created which was empowered by law to run a lottery and a public savings bank.

Benefits.—The pension amounts to 30 pesos ($12.74) per month. When a worker dies or becomes disabled, his dependents are entitled to a sum amounting to three months' wages in case of death and to two months' wages when he is disabled. In case he dies during unemployment his survivors receive two months' wages. There is also a provision for maternity benefit.

Administration.—The law is administered by the bureau of labor protection of the department of labor of the Province.

Statistics of operation.—No statistics are obtainable regarding the present operation of the law. It is believed, however, that very few benefits are being granted under it.

Province of Mendoza

Coverage of system.—The law of 1924 grants benefits to all persons under the following conditions: (1) Age, 65 years; (2) Argentine citizen with 15 years' continuous residence in the Province, or a foreigner with 25 years' residence in the Province; (3) must have no other source of income; and (4) must never have been convicted of any crime.

Contributions.—The cost of the pensions is provided by a monthly contribution of 50 centavos (21 cents) per employee, paid by all employers and by the provincial and municipal governments as employers; a property tax on all values exceeding 200,000 pesos ($84,900); a tax on all uncultivated land; and a tax of 5 centavos (2 cents) per quintal (220 pounds) of grapes.

Benefits.—The pension paid is 50 pesos ($21.23) per month.

Administration.—The administration consists of a board of directors under the chairmanship of the director of the department of labor of the Province. The board is composed of one deputy and one senator elected by the provincial legislature and two representatives of the workers, elected by labor unions.

Statistics of operation.—No statistics are obtainable regarding the present operation of the law. It is believed, however, that very few benefits are being granted under it.

SOURCES FOR ARGENTINA: Leyes del Trabajo, Nacionales y Provinciales, con sus Decretos Reglamentarios, recópiladas por Carlos Moret (N.), tercera edición (n. p.), 1927, Editorial "La Vanguardia"; Ley 11289 sobre Jubilación de Empeados y Obreros de la Marina Mercante Argentina, de los Establecimientos Industriales, del Periodismo y de las Artes Gráficas de los Establecimientos Mercantiles, segunda edición, Buenos Aires, January, 1924; Ley No. 11575, Caja Nacional de Jubilaciones Bancarias, Buenos Aires, 1930; Caja Nacional de Jubilaciones y Pensiones de Empleados Ferroviaros, Balances, gráficos y cuadros estadisticos, Años 1927, 1928, 1929, Buenos Aires, 1930; Caja Nacional de Jubilaciones Bancarias, Memoria y balance correspondiente al año 1929, Buenos Aires, 1930; Caja Nacional de Jubilaciones y Pensiones de Empleados y Obreros de Empresas Particulares de Servicio Publicos, Memoria y balance corerspondiente al año 1929, Buenos Aires, 1930.

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Australia

By Roger Culver Treadwell, *American Consul General, Sydney*

General Pension System

In Australian old-age pension schemes, the State of Victoria led the way in January, 1901, and in August of the same year pensions were introduced in New South Wales. In July, 1908, Queensland followed the example of the southern States. These were the only States to introduce the system. In the meantime, however, the Commonwealth Government had appointed a royal commission on the subject. As a result of the recommendations of this commission, an invalidity and old-age pensions act was passed by the Commonwealth Parliament in 1908, and on July 1, 1909, payment of pensions throughout the whole of Australia under the provisions of this act commenced. The pensions which were being paid in the States referred to were taken over by the Commonwealth as from the same date.

Coverage of System

The principal qualifications for old-age pensions are:

(*a*) Age of 65 years in the case of a man or 60 years in the case of a woman. A man who is 60 years of age may, however, receive an old-age pension if he is permanently incapacitated for work.

(*b*) Continuous residence in Australia for at least 20 years. This residence need not be immediately prior to the date of the claim. For instance, if a person resided in Australia from 1900 to 1920 and then went abroad, returning to Australia in 1924, he would be eligible for a pension so far as residence is concerned.

(*c*) Residence in the Commonwealth at the date of claiming pension.

(*d*) Good character.

(*e*) The claimant must not have deserted wife (or husband) or children for 12 months or upward during the 5 years immediately preceding the date of the claim.

(*f*) Property belonging to the claimant must not exceed £400 ($1,947) in value.

(*g*) The claimant must not have deprived himself of income or property, either directly or indirectly, in order to qualify for a pension.

The following are disqualified from receiving the old-age pension: (*a*) Aliens; (*b*) Asiatics (except those born in Australia or Indians born in British India), or aboriginal natives of Australia, Africa, the islands of the Pacific, or New Zealand.

Pensions for invalidity are provided by the same act. In general, the conditions for receiving these are permanent incapacity for work or permanent blindness, residence in Australia at the date of the claim and at the time the incapacity or blindness developed, age of at least 16 years, and inability of the claimant or relatives to maintain the claimant adequately. Conditions as to property and income are the same as in the case of old-age pensions.

A person who is receiving an old-age pension can not also receive an invalidity pension, and vice versa.

Contributions

The Commonwealth invalidity and old-age pensions scheme is noncontributory. The whole cost of the pensions, as well as the expense of administration, is borne by the Commonwealth, the money being appropriated by Parliament as required from time to time. The Commonwealth does not make any demand on the pensioner himself or his relatives for a contribution toward the cost of his pension. On the contrary, a special act was passed in 1912 to provide that moneys which pensioners receive by way of gift or allowance from their children, grandchildren, stepchildren, or adopted children should not be allowed to affect the rate of the pension.

Similarly, no claim is made by the Commonwealth on any property possessed by the pensioner, and a pensioner on his decease is free to dispose of his property as he wishes.

Benefits

The maximum amount of pension payable under the act is £52 ($253.06)[2] per annum—£1 ($4.87) per week. The rate which may be paid in any particular case is defined in the act. Provided the claimant is qualified in other respects, the amount of pension is based on his income and property, the principal provisions being as follows:

A pensioner's income, together with pension, must not exceed £84 10s. ($411.22) per annum. In the case of husband and wife, except as hereinafter specified, the income of each is held to be half the total income of both. When a claimant receives free board and lodging, it is counted as an addition of 12s. 6d. ($3.54) per week to his other income.

The following do not constitute income and are not taken into account in determining the rate of pension: (*a*) Payments by way of benefit from any friendly society; (*b*) payments during illness, infirmity, or old age from any trade-union, provident society, or any society or association; (*c*) gifts or allowances from children, stepchildren, grandchildren, or adopted children; (*d*) war pension to any person who is a dependent of a member of the forces within the meaning of the war pensions act, 1914–1916, or of the Australian soldiers' repatriation act, 1920–1922; (*e*) payments by the Commonwealth to any person by reason of his dependence on a member of the forces within the meaning of the war pensions act, 1914–1916, or of the Australian soldiers' repatriation act, 1920–1922; and (*f*) in connection with the claims for old-age pensions only, war pensions to any person who is a member of the forces within the meaning of the war

[2] Conversions made on basis of pound equals $4.8665; shilling, 24.33 cents; penny, 2.03 cents.

pensions act, 1914–1916, or of the Australian soldiers' repatriation act, 1920–1922.

The table following shows the operation of the income provisions.

TABLE 3.—*Amount of pension for single and married persons in Australia, according to specified incomes*

[Conversions into United States currency on basis of pound=$4.8665; shilling=24.33 cents]

Annual income	Single or widowed pensioner			
	Pension		Total income and pension	
	British currency	United States currency	British currency	United States currency
	£ s.		£ s.	
£169 ($822.44)	0		169 0	$822.44
£104 ($506.12)	0		104 0	506.12
£84 10s. ($411.22)	0		84 10	411.22
£65 ($316.32)	19 10	$94.90	84 10	411.22
£52 ($253.06)	32 10	158.16	84 10	411.22
£32 10s. ($158.16)	52 0	253.06	84 10	411.22
£26 ($126.53)	52 0	253.06	78 0	379.59

Annual income	Husband and wife—Only one a pensioner					
	Share of each		Pension of one		Total income and pension	
	British currency	United States currency	British currency	United States currency	British currency	United States currency
	£ s.		£ s.		£ s.	
£169 ($822.44)	84 10	$411.22	0		169 0	$822.44
£104 ($506.12)	52 0	253.06	32 10	$158.16	136 10	664.28
£84 10s. ($411.22)	42 5	205.61	42 5	205.61	126 15	616.83
£65 ($316.32)	32 10	158.16	52 0	253.06	117 0	569.38
£52 ($253.06)	26 0	126.53	52 0	253.06	104 0	506.12
£32 10s. ($158.16)	16 5	79.08	52 0	253.06	84 10	411.22
£26 ($126.53)	13 0	63.26	52 0	253.06	78 0	379.59

Annual income	Husband and wife—Both pensioners			
	Combined pensions		Total income and pensions	
	British currency	United States currency	British currency	United States currency
	£ s.		£ s.	
£169 ($822.44)	0		169 0	$822.44
£104 10s. ($506.12)	65 0	$316.32	169 0	822.44
£84 10s. ($411.22)	84 10	411.22	169 0	822.44
£65 ($316.32)	104 0	506.12	169 0	822.44
£52 ($253.06)	104 0	506.12	156 0	759.17
£32 10s. ($158.16)	104 0	506.12	136 10	664.28
£26 ($126.53)	104 0	506.12	130 0	632.65

In the following cases the income is not divided equally between husband and wife: (*a*) When the parties are living apart pursuant to a decree, judgment, order, or deed of separation; (*b*) In any case in which the commissioner of pensions is of opinion that the income should not be divided. In such cases each party's income is regarded as the separate income of the particular person.

Property.—When a claimant's property is less than £50 ($243.33), the pension is not affected. When, however, husband and wife are both pensioners, the property exemption is £25 ($121.66) each, instead of £50 ($243.33). When a claimant's property exceeds £400 ($1,946.60), no pension is payable. In the remaining cases, i. e., when property is over £50 ($243.33) but under £400 ($1,946.60), a deduction is made from the maximum pension at the rate of £1 ($4.87) per annum for every complete £10 ($48.67) by which the net capital value of the property exceeds £50 ($243.33), or, in cases in which husband and wife are pensioners, £25 ($121.66).

The following provisions govern the valuation of property:

(*a*) All real and personal property owned by the claimant is held to be his accumulated property. This includes house and land property, money in bank, money owing to claimant, shares in companies, investments, etc.

(*b*) A home in which a pensioner resides does not constitute property and is exempt from the calculation.

(*c*) Charges and encumbrances lawfully and properly existing on property, other than the home, are allowed as a deduction from the value of the property.

In the case of husband and wife, the property of each is held to be half the total property of both, except in the cases given above in which income is not considered as equally divided.

Method of payment.—Pensions are paid in fortnightly installments. On being granted a pension every pensioner is furnished with a "pension certificate." This document sets out the rate of pension and the place of payment. Payment may be made at any post office in the Commonwealth, the pensioner being allowed to choose the office. The place of payment may be changed at the request of the pensioner.

On presentation of the certificate each fortnight the amount of the fortnightly installment, as shown on the certificate, is handed to the pensioner, who gives a receipt for the money. Payment is made only to the pensioner himself or to a person authorized in writing by the deputy commissioner.

An installment of pension may be applied for at any time within 21 days after its due date, and payment will be made on demand. If the installment is not collected within 21 days, it is forfeited; but under certain conditions the forfeiture may be waived, if applied for within a further period of 60 days. If no application is made within that time, the installment is irrevocably forfeited, but this does not prejudice the payment of subsequent installments. When a pensioner is unable, on account of age, infirmity, distance to be traveled, or other satisfactory reason, to collect his pension, the deputy commissioner may authorize payment to some other person on the pensioner's behalf.

Arrangements also exist for the payment of pensions by means of certified checks posted to the address of any pensioner who desires payment to be made in this way. Comparatively few pensioners (less than 3 per cent of the total number receiving pensions) have availed themselves of this privilege.

A pension is absolutely inalienable whether by way or in consequence of sale, assignment, charge, execution, insolvency, or otherwise.

Administration

The administration of the pension act is vested in the commissioner of pensions who, subject to the control of the Minister of State administering the act, is responsible for the general administration.

In every State there is a deputy commissioner of pensions who, subject to the control of the commissioner, has certain powers conferred on him by the act and is responsible for the general administration of the act within his particular State.

Each State is divided into districts. In every such district there is a registrar, who is generally the clerk of the local court of petty sessions. The registrar receives the claim, collects preliminary evidence, and submits it to a magistrate (usually a police magistrate) for hearing. After hearing the claim the magistrate indorses his recommendation on the papers, which are then referred to the deputy commissioner of the State, and the claim is examined by the deputy commissioner or by his officers under his control, and the case is decided.

In order that claims may be fully investigated, the commissioner, deputy commissioners, registrars, and magistrates are vested by the act with wide powers to summon witnesses, receive evidence, and call for reports and production of papers.

In any case where a pensioner is convicted of certain offenses, or is of drunken or disreputable habits, or is misspending his pension in any way, the deputy commissioner may reduce, suspend, or cancel the pension.

The act also gives power to deal with persons who make willfully false statements or representations to obtain a pension or to deceive any officer in the performance of his duties.

Persons who refuse to supply information regarding the pensioners when called on to do so are also liable to punishment.

Statistics of Operation

The amount paid by the Commonwealth in invalidity and old-age pensions during the 12 months ending June 30, 1930, was £10,633,979 ($51,750,259). In addition an amount of £157,346 ($765,724) was paid to benevolent asylums and hospitals for the maintenance of pensioners in those institutions, making a total expenditure of £10,791,325 ($52,515,983). The present liability is assessed at approximately £11,500,000 ($55,964,750) per annum. The total paid since the institution of the system in 1909, including payments to benevolent asylums and hospitals, amounts to a little over £106,000,000 ($515,849,000).

The following statistics, relating to old-age pensions only, are from the annual report of the commissioner of pensions for the year ending June 30, 1930.

During the year 1929–30, pensions were awarded to 22,585 applicants.

The following table gives some data as to the number of claims granted since the system went into operation, the present number of pensioners, and the average fortnightly pension:

TABLE 4.—*Old-age pension claims in Australia, 1909 to 1930, and pensioners and average pensions, June 30, 1930, by States*

[Conversions into United States currency on basis of pound=$4.8665; shilling=24.33 cents; penny=2.03 cents]

State	Old-age pension claims, July 1, 1909, to June 30, 1930			Number of pensioners, June 30, 1930	Average fortnightly pension	
	Granted	Deaths	Canceled		British currency	United States currency
					£ s. d.	
New South Wales	135,101	63,211	13,452	58,438	1 18 3.06	$9.31
Victoria	105,149	51,169	8,485	45,495	1 18 3.79	9.32
Queensland	44,931	20,629	3,904	20,398	1 18 2.58	9.30
South Australia	31,599	14,708	2,617	14,274	1 17 5.94	9.12
Western Australia	18,152	7,005	2,234	8,913	1 18 2.58	9.30
Tasmania	16,863	7,486	1,699	7,678	1 17 8.66	9.18
Commonwealth	351,795	164,208	32,391	155,196	1 18 2.03	9.29

The maximum pension payable is 40 shillings ($9.73) a fortnight, so it is evident that the average comes pretty close to the maximum. Another view of the situation is given in the following table, which shows, by States, the number and per cent of pensioners receiving the maximum allowance:

TABLE 5.—*Number and per cent of old-age pensioners receiving maximum pension in Australia, June 30, 1930*

State	Number of pensioners	Number receiving maximum pension	Per cent receiving maximum pension
New South Wales	58,438	46,897	80.25
Victoria	45,495	36,624	80.50
Queensland	20,398	16,023	78.55
South Australia	14,274	10,372	72.66
Western Australia	8,913	7,074	79.37
Tasmania	7,678	5,725	74.56
Commonwealth	155,196	122,715	79.07

SOURCES FOR AUSTRALIA: Invalid and old-age pensions act 1908–1928, C. 4174, Melbourne; Regulations under invalid and old-age pensions act 1908–1926, C. 15242, Melbourne; Commissioner of pensions, Invalid and old-age pensions, statement for the 12 months ended June 30, 1930, C. 8700, Melbourne, 1930.

Austria

By Ernest L. Harris, *American Consul General, Vienna*

During the years 1926 and 1928 the sickness, accident, and old-age pension system for civilian wage earners and salaried employees in Austria was placed on a new legal basis. While most salary and wage earners were already subject to compulsory insurance against sickness, the accident insurance was limited to those who were employed in establishments involving special hazard and the invalidity and old-age insurance to salaried employees and miners. The new legislation is laid down in three basic laws: The salaried employees' insurance law (*Angestellten Versicherungs Gesetz*) of 1926, which was amended in 1928; the wage earners' insurance law (*Arbeiter Versicherungs Gesetz*) of 1927, which was amended in 1929, and the agricultural laborers' insurance law (*Landarbeiter Versicherungs Gesetz*) of 1928 which was amended in 1929.

These laws reorganized the entire social insurance system and greatly expanded its scope so that the scheme now covers, with a few minor exceptions, all wage earners and salaried employees in private employment in Austria. At the same time the laws considerably increased and enhanced the value of the benefits. Hand in hand with these provisions naturally goes a large increase in the amount of contributions required.

While the provisions of the salaried employees' insurance law have been in effect since August 1, 1928, the wage earners' insurance law and that part of the agricultural laborers' insurance law referring to the invalidity and old-age insurance are still in abeyance and will go into effect only when financial conditions in Austria will permit the additional expense. In the meantime, the old regulations referring to the sickness and accident insurance of wage earners have remained in force, and only certain transitory provisions and reorganizing features have become effective. Among the transitory provisions, the most important is the provisional old-age allowance for aged laborers who are in need of support pending the going into effect of the old-age and invalidity benefits of the wage earners' and agricultural laborers' insurance laws.

There is no reason to believe that the full provision of these two laws will become effective in the near future. Their text, however, has been taken as a basis for the following description of invalidity and old-age insurance in Austria. Additional reference is also made to the provisional old-age allowance for wage earners in effect at present.

Type of law.—The three social insurance laws under discussion have the following characteristics in common: They provide ipso jure insurance against sickness, accident, old age and invalidity for all salary and wage earners who come within their jurisdiction irrespective whether or not the latter were duly enrolled or whether the contributions were actually paid. The responsibility for enrollment and for the remittance of the contributions lies, with the exception of the cases of voluntary insurance, with the employer exclusively, and he is severely fined in case of delinquency. He is held liable to the insurance institutions and funds for all damages which may result thereby. The insurance begins automatically on the day on which a person begins work, subject, of course, to the provisions of the compulsory insurance. Certain exceptions with regard to the old-age and invalidity insurance are noted under the sections on "benefits."

Salaried Employees' Insurance System

Coverage of System

The salaried employees' insurance law provides compulsory sickness, accident, invalidity, and old-age insurance for salaried employees in Austria engaged in the following types of work:

(1) Management of establishments and their departments.

(2) Inspection and supervision of high-grade technical, commercial, or clerical work of others, including the duties of higher employees in agriculture, horticulture, and deer keeping.

(3) Correspondence, bookkeeping, accounting, cashier's work, filing, typing, drawing, and other clerical work in banking and insurance establishments (not, however, messenger service).

(4) Buying, selling, and warehousing which, due to the nature and scope of the business, requires a certain degree of training and skill.

(5) Artistic work, irrespective of its artistic value.

(6) Teaching.

(7) Auxiliary work of a scientific or medical nature in so far as it requires schooling or professional training.

(8) Education of children or social work requiring schooling or professional training, provided that it is not limited to mere physical care.

(9) Finally, all services which require a general education considerably above the standard of elementary schools. Subject to the provisions of the salaried employees' insurance law, furthermore, are all salaried workers who fall under the employees', actors', and real estate employees' law.

Exclusions.—Concerning these classifications the law makes certain exceptions, among which may be mentioned: (1) Housewives, if they are engaged in an occupation which would otherwise constitute compulsory insurance and provided they are not employed for more than 50 hours per month and do not receive any salary in excess of 80 Austrian schillings [a] ($11.26); and (2) the children, parents, wife or husband of the employer. Also excluded are the permanent employees and officials (*Pragmatische Beamte*) of the Federal, provincial (State) or municipal governments or of other public enterprises, Army officers and soldiers, employees of the Austrian National Bank (Note Bank), the parish priests, monks and nuns, as

[a] Conversions into United States currency on basis of schilling equals 14.07 cents.

well as the railroad employees, all of whom are provided for by special rules and regulations.

An important further exception which refers, however, to the invalidity and old-age insurance only, is the fact that salary earners under the age of 17 are exempt from compulsory invalidity and old-age insurance.

Dependents.—The dependents of salaried employees may also receive benefits under the old-age and invalidity insurance, provided they are not subject to insurance on their own account.

Those who may be regarded as dependents under the law, are: (1) The wife of the insured if there has been no divorce or separation attributable to her; (2) legitimate or legitimized children and illegitimate children of insured females up to the age of 18; (3) stepchildren of legitimate birth and legitimate grandchildren of the insured, provided they live in his household and are chiefly supported by him, until the age of 18; (4) in consecutive order, the parents and grandparents come under the same conditions as those mentioned under paragraph 3; (5) the life companion (housekeeper) of an insured male if living under the same roof with him, provided she kept house for him for at least eight months, without financial remuneration.

Voluntary insurance.—In addition to compulsory insurance, the law provides a voluntary insurance for certain groups of individuals. They are:

(1) Persons who have left an employment in which they were subject to compulsory insurance for at least 60 months may apply within a month for a continuation of the insurance on their own account in order not to forfeit the premiums previously paid.

(2) Corporations whose employees are covered by special insurance, such as communities, may, with the consent of their employees, insure the latter with a salaried employees' insurance institution instead of the specific institutions provided for them under special regulations.

(3) Private teachers, who as a rule, do not fall under compulsory insurance.

Contributions

Contributions are based upon the monthly salary of the employee, within the salary range of from 80 schillings ($11.26) to 400 schillings ($56.28) a month. For newspaper, agricultural, and forestry employees the upper limit is extended to 800 schillings ($112.56), and for pharmaceutical employees to 600 schillings ($84.42). This means that, although the higher-salaried employees, such as managers of business concerns, banks, etc., are subject to compulsory insurance, the amount of their salaries which exceeds the above upper limit referred to is left out of consideration when figuring the contributions for, and the benefits to be derived from, the insurance.

The contribution for the invalidity and old-age insurance amounts to 8 per cent,[3] which contribution, however, also includes the contribution for the accident insurance. The contributions are col-

[3] Previous to Jan. 1, 1931, it was 7½ per cent.

lected at the same time as the contributions for sickness and unemployment insurance (totaling from 15 to 15.28 per cent) from the employer, who may deduct one-half of the amount from the employee's salary.

Benefits

The following benefits are provided under the law: Invalidity benefits, old-age pensions (including survivors' benefits), and dowry allowance.

A peculiarity of the system is the requirement that the employee must have been insured for a certain period of time before becoming eligible to benefit. For salaried employees, the law requires a qualifying period of 60 months of actual insurance which, however, should represent at least three-fourths of the time since the entry of the insured into insurance. By the term "months of actual insurance" is understood only months during which the insured was duly enrolled with the insurance fund (irrespective of whether or not contributions were paid) or months for which contributions were actually paid. Retroactive contributive payments are only accepted within six years and can not shorten the qualifying period by more than 24 months.

Old-age and invalidity benefits.—The invalidity benefit provided by the employees' insurance law may be either permanent or temporary. The first is granted if the insured becomes permanently disabled for performing the duties of the position which he last held or of some other position which would be appropriate to his practical training or education. The second is granted to those who are but temporarily disabled for discharging their duties during a period exceeding the time for which sick benefit is paid.

The benefit amounts to 35 "benefit units" (*Renteneinheiten*), plus as many benefit units as the years during which the employee was insured. The term "benefit unit" is used as meaning 1 per cent of the employee's average salary [4] during the last three years. Thus, a salaried employee who becomes an invalid after 27 years of insured service receives 62 per cent of his salary, subject to a maximum of 248 schillings [5] ($34.89) per month. In addition, the invalid receives for each child a child's benefit (*Kinder Zuschuss*) of 6 units. If the invalid needs constant care or assistance, his benefit is increased by 50 per cent and must amount to at least 75 units. In any case, however, the benefit can not exceed 100 benefit units.

All insured male employees who have reached the age of 65, or who have had at least 120 months of insurance and have reached the age of 60, are entitled to old-age benefits. For female employees the corresponding ages are 60 and 55 years. A condition for drawing the benefit, however, is that the beneficiary no longer is in an employment subject to this law.

Widows' and children's benefits.—The salaried employees' insurance law grants survivors' benefits to the widow and children of the insured. The widow's benefit amounts to one-half of the benefit to which the insured husband would have been entitled at the time of

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[4] Within the upper limits previously mentioned.

[5] That is, 62 per cent of 400 schillings (which is the upper limit of salary used in the insurance calculations).

his death, except in cases in which the widow needs permanent care and assistance, when the benefit must amount to at least 30 benefit units. No widow's benefit is paid—

(1) If, at the time of the death of the insured the marriage had not been in force for three months or if the insured, when marrying, had already reached the age of 50 and the marriage had not been in force for three years, and provided that the death of the insured was not caused by an accident or that children were not born during, or legitimitized through this marriage, or that the widow was not pregnant when the husband died.

(2) If the insured took out insurance only after having reached the age of 55 and had subsequently married.

(3) If the marriage was contracted at a time when the insured was already entitled to an invalidity or old-age benefit and the marriage had been in force for less than three years.

(4) If the marriage was dissolved by divorce or separation due to the fault of the wife, or if there is a widow from a prior marriage, entitled to the benefit.

(5) If the widow was found guilty of having deliberately caused the death of the insured.

If the widow remarries she receives in lieu of further benefit a lump-sum payment amounting to three years' benefit. This payment bars all further claims.

A widower who was chiefly supported by his wife's earnings is entitled to the same benefits as a widow, provided and only so long as he is physically or mentally disabled from earning his living and is in need of financial assistance.

Half orphans receive 12 benefit units and full orphans 24 benefit units per month, but in no case less than 15 schillings ($2.11) and 30 schillings ($4.22), respectively. This benefit is paid until the orphan has reached the age of 18.

Widow and orphans together, however, may not receive more than the amount of the invalidity benefit plus the children's allowance to which the insured would have been entitled at the time of his death. Their combined benefits may also not exceed 85 benefit units, unless the widow is a complete invalid or more than 55 years of age in which case the limit may be extended to 100 benefit units.

A lump sum, instead of the regular survivors' benefit, is paid—

(1) To the widow of an insured who, at the time of her husband's death had not yet completed the qualification period, or to the children of the insured. In this connection the payment amounts to the widow's benefit for three years, figured on 60 months' insurance.

(2) To a widow otherwise entitled to benefit but excluded on the grounds enumerated in paragraph (1) of the above-listed exceptions. Here the lump sum amounts to the widow's benefit for 1½ years.

(3) To the life companion (housekeeper) of a male insured person, the sum amounting to one year of widow's benefit.

(4) To the children over 18 otherwise unprovided for, the mother, invalid father, grandparents, orphan brothers and sisters of the insured, provided that they lived as dependents in his household and provided that he left no widow or children. Of these relatives, the nearer exclude from benefit the more remote in relationship. In

this instance the lump sum amounts to the widow's benefit for 1½ years, but not less than 360 benefit units.

Dowry allowance.—Benefits are also paid to female salaried employees who have been insured for the period required to qualify for benefit, provided they resign from work within two years after marriage, or marry within two years after retiring from work. They may claim, in full settlement of their benefit, an allowance which amounts for each of the first 120 months of actual insurance to 5 benefit units and for each further actual insurance month to 2 benefit units; thus, for example, after 12 years' insured employment the allowance would be 548 benefit units, which would represent about 6½ months' salary.

Administration

The organizations which administer the insurance systems of Austria are established by law; they are autonomous bodies with individual by-laws which are subject to the approval of the Federal Ministry of Social Welfare. The members of the board of directors, committees, etc., are elected by the employers and the insured.

The old-age and invalidity insurance of salaried employees is administered by the Central Employees' Insurance Institute, in whose jurisdiction also falls the accident insurance of employees. In order to simplify the administrative part of the routine work (such as the enrollment of the insured), the collection of the contributions, etc., is intrusted to the local salaried employees' insurance funds which primarily administer the sickness insurance. There is one of these salaried employees' insurance funds for each of the nine Federal States of Austria, with the exception of Vienna which has four funds, one for commercial employees, one for bank employees, one for industrial employees, and one for voluntary insurance. Besides the Central Employees' Institute there are individual institutes dealing with invalidity, old-age, accident, and sickness insurance for employees engaged in agriculture and forestry, journalism, and pharmaceutical work; these three institutes, as well as the Central Employees' Insurance Institute, have jurisdiction over the entire territory of the Republic and have their main offices in Vienna.

On the central committee and board of the salaried insurance funds, the insured and employers have representation in the ratio of four-fifths to one-fifth; this proportion, however, is reversed in the supervisory committee which supervises not only all operations of the "funds," but also has a deciding voice in investments and in the appointment of the higher officials of the funds. The departments in the Central Employees' Insurance Institute, as well as in the special institutes above referred to, are equally distributed among employers and employees. The general benefit committees which pass upon the individual claims, are composed of three members each, one representing the employers, one the insured, and one the Central Employees' Insurance Institute.

Statistics of Operation

The figures quoted below are taken from the annual report of the Central Employees' Insurance Institute for the year 1929.

On December 31, 1929, the institute had 240,840 insured members. However, since salaried employees under the age of 18 are subject to sickness and accident insurance only, the number of those insured against invalidity and old age is somewhat less, being on December 31, 1929, only 228,882 persons.

The table following shows the number of beneficiaries at the end of the year 1929 and the monthly amounts paid for each type of benefit. In addition, the institute paid 934 dowry allowances and 440 lump-sum benefits to dependents not entitled to regular pension.

Table 6.—*Number of beneficiaries and monthly amount paid in benefits of each type under Austrian salaried employees' insurance system, 1929*

[Conversions into United States currency on basis of schilling=14.07 cents]

Benefit class	Number of beneficiaries	Monthly amount spent in benefits	
		Austrian currency	United States currency
Persons receiving—		*Schillings*	
Invalidity benefits	3,825	591,115.19	[1] $83,169.91
Old-age pensions	5,718	1,080,173.19	[2] 151,980.37
Widows' benefits	7,748	721,401.80	101,501.23
Orphans' benefits	2,993	120,220.06	16,914.96

[1] Including 414 extra benefits to invalids requiring permanent assistance and care, totaling 38,820 schillings ($5,461.97) per month, and 1,292 children's benefits, totaling 18,042.79 schillings ($2,538.62) per month.
[2] Including 204 extra benefits to invalids requiring permanent assistance and care, totaling 18,954.59 schillings ($2,666.91), and 513 children's benefits, totaling 7,038.91 schillings ($990.37) per month.

Table 7.—*Receipts and expenditures of Austrian salaried employees' insurance system, 1929*

[Conversions into United States currency on basis of schilling=14.07 cents]

Item	Amount	
	Austrian currency	United States currency
Receipts	*Schillings*	
Balance carried over	41,965,332.70	$5,904,522
Contributions	54,186,971.25	7,624,107
Transfers from other institutes	2,441,333.26	343,496
Revenues from invested capital	3,253,701.28	457,796
Gain on securities	17,775.41	2,501
Miscellaneous receipts	161,582.86	22,735
Total receipts	102,026,696.76	14,355,156
Expenditures		
Benefits paid:		
Invalidity and old-age pension	24,032,135.75	3,381,322
Widows' invalidity and old-age benefits	10,683,613.83	1,503,184
Orphans' benefits	1,677,342.37	236,002
Accident compensation	108,223.42	15,227
Widows' pensions and accident insurance	21,259.53	2,991
Orphans' pensions and accident insurance	6,973.27	981
Benefits to other dependents and accident insurance	3,064.00	431
Lump-sum payments for invalidity and old age	724,773.90	101,976
Dowry allowances	1,088,067.00	153,091
Other subsidies to dependents	1,500.00	211
Total benefits	38,346,953.07	5,395,416
Payments to the health fund [1]	2,220,064.30	312,363
Sickness-insurance contributions for invalidity or old-age beneficiaries	1,367,759.40	192,444
Old-age allowance for employees who reached age of 60 prior to Dec. 31, 1928, but did not fulfill requirements for regular pension	489,748.37	68,908
Total expenditure for insurance and benefits	42,424,525.14	5,969,131
Transferred reserves to other invalids	637,336.82	89,673

[1] Fund used to defray expenses of temporarily disabled in sanatoriums, health resorts, etc.

TABLE 7.—*Receipts and expenditures of Austrian salaried employees' insurance system, 1929*—Continued

Item	Amount	
	Austrian currency	United States currency
Cost of administration:	*Schillings*	
Current expenses of the institute	1,056,572.56	$148,660
Arbitrations	18,601.43	2,617
Benefit control	40,821.43	5,744
Investments for the offices, etc	813,532.63	114,464
Reimbursements to insurance funds intrusted with part of routine work	1,423,796.27	200,328
Fees for Government supervision	20,224.96	2,846
Total cost of administration	3,373,549.28	474,658
Losses on securities and exchange	196,517.09	27,650
Refunds	12,608.62	1,774
Sinking fund:		
Uncollectible contributions	147,449.16	20,746
Furniture	2,333.75	328
Total sinking fund	149,782.91	21,074
Subsidy fund	5,509.22	775
Reserves	55,226,867.68	7,770,420
Total expenditures	102,026,696.76	14,355,156

The average per capita cost of administration amounts to about 14 schillings ($2) per annum or to about 6 per cent of the annual contributions.

In the above figures those employees are not included who are insured with the Salaried Employees' Insurance Institute for the Press, Pharmacies, Agriculture and Forestry. The insured enrolled with the three special institutes, however, number only 13,733 and are therefore of but minor importance.

Wage Earners' Insurance System

Coverage of System

Similar to the salaried employees' insurance law, the wage earners' insurance law provides compulsory sickness, accident, and old-age insurance for all persons who are working for wages on the basis of work, service, or apprenticeship agreement, provided that they are not covered by the salaried employees' insurance law or the agricultural laborers' insurance law.

Exclusions.—Persons exempted from the provisions of the wage earners' insurance law include: (1) Wage earners who are employed by the Government and are insured in the sickness insurance funds for Federal employees; (2) persons employed on the public railroads and by the Austrian National Bank, as well as several other minor groups of wage earners provided for by special regulations; (3) wives, children, and parents of the employer; (4) charwomen, nurses, washerwomen, and seamstresses who work in private households for not more than 24 hours per week and derive an income therefrom not exceeding 40 schillings ($5.63) per month.

Voluntary insurance.—The wage earners' insurance law also provides for voluntary insurance for those who have left a job subject to compulsory insurance, provided the same lasted for at least 26 weeks during the last 12 months and that their application for voluntary continuation of their insurance is filed within 2 weeks after termination of the compulsory insurance.

Contributions

Contributions vary according to the daily wages of the insured, as follows:

Class I	Up to 1.20 schillings (17 cents)
Class II	1.20 to 1.80 schillings (17 to 25 cents)
Class III	1.80 to 2.40 schillings (25 to 34 cents)
Class IV	2.40 to 3.00 schillings (34 to 42 cents)
Class V	3.00 to 3.60 schillings (42 to 51 cents)
Class VI	3.60 to 4.80 schillings (51 to 68 cents)
Class VII	4.80 to 6.00 schillings (68 to 84 cents)
Class VIII	6.00 to 7.20 schillings (84 cents to $1.01)
Class IX	7.20 to 8.40 schillings ($1.01 to $1.18)
Class X	8.40 schillings and over ($1.18 and over)

The total weekly contributions amount to 70 per cent of the basic daily earnings of the wage class to which the individual workman belongs, not less, however, than 0.56 schilling (6.5 cents). In other words, it is as follows: In Class I, 0.56 schilling (6.5 cents) per week; in Class II, 0.84 schilling (11.8 cents); in Classes III, IV, and V, 0.42 schilling (5.9 cents) more than in the preceding class; and in Classes VI to X, 0.84 schilling (11.8 cents) more than in the preceding class. By the time the tenth wage class is reached, the contributions amount to 5.88 schillings (83.7 cents) per week. This percentage can, if found necessary, be changed by a decree issued by the Federal Ministry for Social Welfare.

Of this contribution of 70 per cent of the basic daily wage, 45 per cent is designated for sickness insurance, 5 per cent for accident insurance, and 20 per cent for invalidity and old-age insurance. The employer pays the entire contribution, but may deduct one-half of the amount from the wages of the workman.

Benefits

The wage earners' insurance law requires a qualifying period of 104 weeks before becoming eligible for the invalidity pension. Of this time, however, 52 weeks of compulsory or 73 weeks of voluntary insurance must fall within the last 5 years. For the old-age benefit the qualifying period amounts to 500 weeks. In the case of an employment subject to compulsory insurance, it is immaterial whether the worker was duly enrolled and whether the contributions were actually paid. In the case of voluntary insurance, however, only contribution weeks are counted.

Invalidity benefits.—Permanent invalidity benefits are paid to insured who are permanently disabled either physically or mentally and can not earn at least one-third of the amount which they would normally be able to earn in an employment reasonably appropriate to their training and former occupation. Temporary invalidity benefits are paid to insured temporarily disabled to the above-mentioned extent, provided the disablement has lasted for a longer period than that for which sick benefits are paid.

If the invalid has been insured for at least 500 weeks, his monthly benefit amounts to ten times the basic daily wage of the wage class or classes to which he belonged during the last 104 weeks, but if he has been insured for less than 500 weeks he is entitled only to 6⅔ times his basic daily wage. An insured of wage class X, for instance, receives 84 schillings ($11.82) or 56 schillings ($7.88) per month, depending on whether he was insured for more or less than 500 weeks. On the average the invalidity benefit therefore amounts to about 40 per cent of the full wages. If the insured is disabled to such an extent that he needs constant assistance and care, the benefit is increased by 50 per cent.

For each child under 16 the invalid receives a children's allowance amounting for the first child to one-tenth and for each additional child to one-twentieth of his pension, not less, however, than 12 schillings ($1.69) per month. This benefit is extended up to the age of 18 if the child is either physically or mentally unable to provide for himself.

Old-age benefits.—The old-age benefit falls due at the age of 65, provided that the insurance has lasted for 500 weeks. The amount is the same as with the invalidity benefit (ten times the basic daily wage) and is paid irrespective of whether or not the insured retires from work. If the insured postpones the drawing of his pension, the latter is increased by three-fourths of his basic daily wage for each year of postponement.

Widows' and orphans' benefits.—Survivors' benefits are paid to the widow (or widower [6]) who is entitled to one-half, and orphans under 18, who are entitled to one-fourth or three-eighths (depending as to whether one or both parents are dead) of the benefit to which the insured would have been entitled at the time of his death. The combined survivors' benefits, however, may not exceed the full benefit to which the insured would have been entitled. Unless the widow is an invalid, or has reached the age of 65, or has to provide for more than two children under 18, her benefit is payable, however, for only 12 months.

The widow is excluded from the widow's benefit if, at the time the marriage was consummated, the insured had reached the age of 55 or was already an invalid, provided his death was not caused by an accident or that children were not born or legitimized during the marriage, or that the widow was not pregnant at the time of the death of the insured. She is, furthermore, excluded from benefit if the marriage was legally dissolved through her fault or if there is a widow from a prior marriage who is entitled to the benefit.

If the widow, who is an invalid or over 65 years of age, should remarry she receives a lump sum in the amount of three years' benefits, instead of further benefits. If the insured left no widow but

[6] The conditions under which a widower is entitled to the widower's benefit are the same as those under the salaried employees' insurance system.

a life companion (housekeeper), the latter is entitled to a widow's benefit up to 12 months.

The dowry allowance is paid to insured females who have been insured for 104 weeks. This allowance amounts to four times the monthly benefit to which they would have been entitled if they had become invalids by that time, plus a fixed amount of 24 schillings ($3.38). The minimum benefit is 72 schillings ($10.13), the maximum 360 schillings ($50.65). This dowry allowance is paid irrespective of possible further claims for insurance benefits. In the salaried employees' insurance system the dowry allowance is considered as final payment.

Government grants.—Since the public poor funds will be considerably relieved by the invalidity and old-age insurance it is provided that as soon as this insurance becomes effective the Government shall grant a monthly subsidiary allowance to the beneficiaries. These grants were fixed as follows: 6 schillings (84 cents) for each invalid and old-age beneficiary, 3 schillings (42 cents) for the widow, 1.50 schillings (21 cents) for a child who has lost one parent, 2.25 schillings (32 cents) for a child who has lost both parents, and 1 schilling (14 cents) for each child of an old-age or invalid beneficiary.

Administration

The legal structure for the administration of workmen's insurance is similar to that of the salaried employees.

By the time the invalidity and old-age insurance of salary earners goes into effect administration will be concentrated in the Wage Earners' Insurance Institute, which will also administer the accident insurance. This institute will have jurisdiction over the whole territory of Austria and will have its offices in Vienna. As under the salaried employees' insurance system, certain routine work will be delegated to the local workmen's insurance funds. At present there is a large number of these funds in existence of the following types: Establishment sickness insurance funds (*Betriebskrankenkassen*), organized by an employer for the workmen of his individual firm; labor-union sickness insurance funds (*Genossenschaftskrankenkassen*), organized by the trade-unions for their apprentices and journeymen; associations of sickness insurance funds (*Vereinskrankenkassen*), organized by workmen's associations; miners' insurance funds (*Bundeslade*); or regional sickness insurance funds (*Gebietskrankenkassen*), established for workers not yet insured in any of the organizations named above. The present tendency is to reduce the number of these local funds as much as possible and to fuse the different small organizations into larger and consequently financially stronger institutions. The wage earners' insurance law, therefore, also provides that in the future no new establishment, labor union, or association sickness insurance funds may be established and that all those who do not reach a certain minimum number of members will have to be liquidated. In time there will only be territorial regional sickness insurance funds (*Gebietskrankenkassen*) as local workers' insurance funds.

For the local wage earners' insurance funds the wage earners' insurance system provides that insured and employers shall be represented on the central committee and the board of directors in the ratio of four-fifths to one-fifth. It reverses the proportion, however, with regard to the supervising committees. In the Wage Earners' Insurance Institute, whose president is appointed by the Government, the representatives on the central committee are distributed equally among employers and insured; on the board of directors the employers and insured are to be represented by 20 delegates each, and the Government by 8. The benefit committees' representation is the same as that provided in the salaried employees' insurance system—one of its three members representing the employers, one the insured, and the third the Federal institute.

Pending the going into effect of the invalidity and old-age benefit system, the provisional old-age allowance is administered by the wage earners' accident insurance institutes, of which there exist (until the Wage Earners' Insurance Institute is established) one in Vienna, one in Graz, and one in Salzburg.

Provisional Status of Old-Age Insurance

When passing the wage earners' insurance and the agricultural laborers' insurance laws in 1927, the legislators realized that under the existing economic depression Austrian trade, industry, commerce, and agriculture would, for the time being, be unable to bear all additional burdens connected therewith.[7] It was, therefore, stipulated that the invalidity and old-age insurance introduced by these two laws, as well as most of the other features of the wage earners' insurance law creating additional expenses in regard to the already existing accident and sickness insurance of wage earners, should be held in abeyance until the number of unemployed had dropped to an average of 100,000, and until the combined effects of increased exports, internal transportation, and agricultural production should so improve the economic situation that the additional social burden could be carried. The prolonged economic depression, however, has kept the improvement from materializing as was expected. An amendment was therefore passed in 1929, providing that, irrespective of economic conditions, the Government, with the approval of the central committee of the National Council, should decree the complete enforcement of the wage earners' insurance system as appropriate tax reductions were effected. Pending the going into effect of the regular invalidity and old-age insurance system, as has already been pointed out, provisional old-age allowances have been provided.

Provisional old-age allowance.—The provisional old-age allowance is payable to all Austrian citizens who have reached the age of 60 and who either were entitled to the emergency unemployment benefit—that is, they had drawn unemployment benefits for more than 30 weeks—or who were excluded from unemployment benefit merely on account of being physically or mentally disabled for work. Until the beneficiary reaches the age of 65, no provisional benefits are paid while the beneficiary is in an employment subject to sickness insurance. The payment of the allowance stops upon the death of

[7] The additional expense for the invalidity and old-age pensions of wage earners is estimated at 60,000,000 schillings ($8,442,000) per year, of which 45,000,000 schillings ($6,331,500) will be disbursed to wage earners and the rest to agricultural laborers.

the beneficiary, or when the regular old-age or invalidity benefit goes into effect.

The monthly benefit amounts to twenty times the daily unemployment benefit, but not less than 18 shillings ($2.53). On the average it amounts to 56 shillings ($7.88) a month.

The funds necessary for the provisional old-age allowance are being advanced by the Federal Government, which, however, will ultimately bear only two-twelfths of the cost, since the rest has to be refunded to it through contributions on the part of the employer (three-twelfths), wage earners (three-twelfths), and Province (State) of which the beneficiary is a resident (four-twelfths). The contributions of the employer and the wage earner amount to 20 per cent of the sickness insurance contribution.

Special provisions for domestic servants and miners.—Domestic servants, while subject to the wage earners' insurance law, are excluded from the benefits provided for in the unemployment law. Since the provisional old-age allowance is based upon the latter, the domestic servants would consequently also be excluded from the provisional old-age allowance. A special law was therefore enacted on December 27, 1927, providing that Austrian citizens who have reached the age of 60 and who, during the last six years, have been employed for at least two years as domestic servants, are unemployed, and in need of financial support, are entitled to a monthly allowance of 30 schillings ($4.22).

The necessary contributions for this allowance amount to 20 per cent of the sickness insurance [8] contributions and are borne half by the employer and half by the servant.

As far as miners are concerned, compulsory invalidity insurance was introduced by the mining law of 1854. The provisions referring to the social insurance of miners were subsequently replaced by the law of 1889. During and after the war, the miners' insurance was reorganized by several laws and decrees. At present, the law of November 23, 1927 provides that invalid miners shall receive an invalidity benefit of 600 schillings ($84.42) per year, widows of miners 300 schillings ($42.21), orphans who have lost one parent 168 schillings ($23.64), and orphans who have lost both parents 204 schillings ($28.70) per year; widow and orphans together, however, not more than 600 schillings per year.

The same law also introduced a provisional old-age allowance for miners who have reached the age of 65 and have no other income by which they can support themselves. Since 1928 the age limit has been reduced to 60 years. The provisional old-age allowance is the same as the invalidity benefit of miners referred to above. The invalidity benefit is administered by the miners' insurance funds and the provisional old-age allowance by the wage earners' accident insurance funds.

By the time the wage earners' regular invalidity and old-age insurance goes into effect, the special provisions for miners will be abolished, and the latter will then be subject to the general provisions of the wage earners' insurance fund.

[8] At present the sickness insurance contribution for servants amounts, as a rule, to 1.35 schillings (19 cents) per week.

Assistance granted through provisional old-age allowance.—The provisional old-age allowance introduced by the wage earners' insurance law covers, in round numbers, 1,100,000 wage workers (including miners) and 150,000 domestic servants.

At the end of the year 1929 the beneficiaries included 42,700 wage earners, 1,600 miners, and 2,300 domestic servants.

The receipts and expenditures under the old-age allowance were, in 1929, as shown in the table following:

TABLE 8.—*Receipts and expenditures for provisional old-age allowances in Austria, 1929*

[Conversions into United States currency on basis of schilling=14.07 cents]

Receipts	Amount		Expenditures	Amount	
	Austrian currency	United States currency		Austrian currency	United States currency
	Schillings		Benefits paid to—	*Schillings*	
Reserves at end of 1928	4,372,831.73	$615,257	Wage workers	21,856,808.41	$3,075,253
Contributions from employers and insured	19,979,317.93	2,811,090	Miners	940,736.87	132,362
			Domestic servants	656,163.54	92,322
Contributions from States	7,914,990.05	1,113,639	Total benefits	23,453,708.82	3,299,937
Contributions from Federal Government	3,957,445.02	556,813	Cost of administration	1,036,633.34	145,854
			Reserves at end of 1929	11,734,222.57	1,651,005
Total receipts	36,224,584.73	5,096,799	Total expenditures	[1] 36,224,584.73	5,096,799

[1] Not the exact sum of the items, but as given in the report.

It is seen from the above table that the cost of administration forms some 4.4 per cent of the amount paid out in allowances.

Agricultural Laborers' Insurance System

Coverage of System

The agricultural laborers' insurance law provides compulsory sickness, accident, invalidity, and old-age insurance. These branches of insurance cover all persons who, on the basis of work, service, or apprenticeship agreement, are employed in agriculture, forestry, noncommercial horticulture, with agricultural associations or organizations (dairies, agricultural warehouses), or as domestic servants in rural households. The following are excluded: The wife (husband) of the employer, as well as other members of his family, provided he has obligated himself to provide for them in case they should fall ill or meet with an accident or become invalids; and wage earners who perform the work mentioned above merely as a side job and receive therefor a compensation which does not reach a certain minimum.

At the suggestion of the principal agricultural and forestry organizations and of the individual provincial Governments, also farm owners and tenant farmers as well as their wives, may, by Government order, be brought under compulsory insurance against accident or invalidity and old age. In several Provinces this has already been done, at least as far as accident insurance is concerned.

Contributions

The contributions under the agricultural laborers' insurance, also, are based on the wage-class system, which is fixed as follows:

	Daily earnings, including payment in kind
Class I	Up to 0.80 schilling (11 cents)
Class II	1.20 to 1.80 schillings (17 to 25 cents)
Class III	1.20 to 1.80 schillings (17 to 25 cents)
Class IV	1.80 to 2.40 schillings (25 to 34 cents)
Class V	2.40 to 3.00 schillings (34 to 42 cents)
Class VI	3.00 to 3.60 schillings (42 to 51 cents)
Class VII	3.60 to 4.80 schillings (51 to 68 cents)
Class VIII [a]	4.80 to 6.00 schillings (68 to 84 cents)
Class IX [a]	More than 6.00 schillings (84 cents)

Whereas the contributions for the sickness insurance are fixed by the local sickness insurance funds under the supervision of the provincial government, the weekly contributions for the accident insurance are fixed at 5 per cent and those for the invalidity and old-age insurance at 20 per cent of the basic daily wage of the wage class to which the insured belongs. The percentage is subject to change by ministerial decree if found necessary. The contributions are collected from the employer, who may deduct half of the contributions from the wages of the employee. The employers of forestry workers must, in addition to the above contributions, pay an extra-risk contribution to the amount of four-tenths of the basic wage. A peculiarity of the agricultural laborers' insurance law is, that upon demand of the main agricultural organizations of a Province, the Ministry for Social Welfare can decree that contributions for accident, old-age, and invalidity insurance may be assessed in a lump sum based on the real-estate tax, revenue, and pay roll of the real estate on which the workman is employed. In this case it has to be borne by the employer. Up to the present this assessment has been adopted in one Province only, and there only with regard to accident insurance.

Benefits

Invalidity benefits.—The agricultural laborers' insurance law requires the same qualifying period for the invalidity benefit as the wage earners' insurance law, namely 104 weeks. It is immaterial whether the laborer was duly enrolled and the contributions actually paid, provided that he was engaged in an employment subject to compulsory insurance.

The requirements which entitle one to the benefits of this law are identical with those stipulated in the wage earners' insurance law, with the exception, however, that persons with deficiencies from birth are excluded from the benefits.

If the invalid has been insured for at least 500 weeks his monthly benefit amounts to ten times the basic daily wage. If he has been insured for less than 500 weeks, his monthly benefit amounts to $6\frac{2}{3}$ times the basic daily wage of the wage class to which he belonged during the last 104 weeks. In the highest wage class which agricultural and forestry laborers (with the exception of sawmill employees)

[a] In Classes VIII and IX can be enrolled (with the exception of seasonal workers) only wage earners who do not live in the home of their employer; Class IX is exclusively reserved for sawmill and forestry workers.

can reach, the benefit in case of 500 weeks' insurance amounts to 48 schillings ($6.75) and in case of less than 500 weeks' insurance to 32 schillings ($4.50) per month, which is considerably less than the benefits under the wage earners' insurance law. The increases in case the invalid needs permanent care and assistance, as well as the children's benefits, are the same as provided in the wage earners' insurance law.

Old-age benefits.—The requirements for the old-age benefit are the same as under the wage earners' insurance law. The old-age benefit is payable at age 65, after 500 weeks' insurance. The amount of benefit is the same as that granted to invalids who have been insured for more than 500 weeks. If the insured postpones the drawing of the old-age benefit, the latter is increased by three-fourths of 1 per cent of his basic wage for each year of postponement.

Widows' and orphans' benefits.—Survivors' benefits are paid to the widow (or widower) who is entitled to one-half, and orphans under 18, who are entitled to one-fourth or three-eighths (depending as to whether one or both parents are dead) of the benefit to which the insured would have been entitled at the time of his death. The combined survivors' benefits, however, may not exceed the full benefit to which the insured would have been entitled. Unless the widow is an invalid, or has reached the age of 65, or has to provide for more than two children under 18, her benefit is payable for 12 months only.

The widow is excluded from benefit if, at the time the marriage was consummated, the insured had reached the age of 55 or was already an invalid, provided his death was not caused by an accident or that children were not born or legitimized during the marriage, or that the widow was not pregnant at the time of the death of the insured. She is, furthermore, excluded from benefit if the marriage was legally dissolved through her fault or if there is a widow from a prior marriage who is entitled to the benefit.

If the widow, who is an invalid or over 65 years of age, should remarry she receives a lump sum in the amount of three years' benefits, instead of further benefits. If the insured left no widow but a life companion (housekeeper), the latter is entitled to a widow's benefit up to 12 months.

The dowry allowance amounts to four times the invalidity benefit, plus a fixed amount of 24 schillings ($3.38).

Government grants.—The additional grants from Government funds are fixed as follows: 12 schillings ($1.69) for each invalid or old-age beneficiary, 3 schillings (42 cents) for the widow, 1.50 schillings (21 cents) for a child who has lost one parent, and 2.25 schillings (32 cents) for a child who has lost both parents.

Administration

The invalidity and old-age insurance systems for agricultural laborers is administered by an agricultural laborers' insurance institute for each individual State or for a group of several States. Such district institutes are now established in Vienna, Linz, Klagenfurt, Graz, and Innsbruck. Under this system, also, part of the routine work is left to the local agricultural laborers' insurance funds. One of these has been established for each Federal State, primarily for the purpose of administering the sickness insurance.

On the board of directors of the local insurance funds, as well as on the central committee of these, employers and insured are represented in the ratio of two-fifths and three-fifths; on the supervising committee, however, the proportion is reversed. On the central committee of the district agricultural laborers' insurance institutes, employers and insured have equal representation, while on the board of directors there are 10 representatives of the employers, 10 representatives of the insured, and 4 representatives of the Government. The benefit committees are composed of three members, one representing the employers, one the insured, and one the insurance institute.

Provisional Old-Age Allowance

The provisional old-age allowance is payable to agricultural laborers over 60 years of age who are resident citizens of Austria (1) who were formerly beneficiaries under the emergency unemployment allowance,[10] as well as those who were excluded from the latter allowance merely on account of being physically or mentally disabled for work; and (2) who, during the last six years have, for at least two years, been engaged in some employment subject to compulsory sickness insurance under the agricultural laborers' insurance law, provided they are out of work and in need of financial support at the time when filing their claim.

For the first group the provisional old-age allowance amounts to twenty times the unemployment allowance, but not less than 18 schillings ($2.53) per month. In the second group it amounts to 6⅔ times the basic daily wage of the wage class to which the insured belonged, plus 6 schillings (84 cents).

As explained in the section on wage earners' insurance, the funds necessary for the provisional old-age allowance are being advanced by the Federal Government, which, however, will ultimately bear only two-twelfths of the cost, since the rest has to be refunded through contributions by the employer (three-twelfths), the wage earners (three-twelfths), and the State of which the beneficiary is a resident (four-twelfths). The contributions of the employer and the wage earner amount to 20 per cent of the sickness insurance contributions.

Provisional old-age allowances paid.—At the end of 1929 the number of persons insured aggregated 305,000, and the number of persons drawing allowances 14,346. Since that time the number of beneficiaries has increased to about 20,000, as not all the claims were filed or could be passed upon during 1929, which was the first year in which the allowances were extended to agricultural laborers.

The receipts during the year 1929 amounted to 5,400,000 schillings ($759,780), the allowances paid to 3,502,000 schillings ($492,731), and the cost of administration to 316,000 schillings ($44,461). For

[10] Under the provisions of the unemployment law only very few classes of agricultural laborers, such as sawmill employees and laborers employed by agricultural associations, are entitled to unemployment allowance.

the year 1930, about 6,000,000 schillings will be necessary to cover the expenditures for allowances.

As yet there is no sufficient basis on which to compute the cost of administration per capita or in relation to benefits.

SOURCES FOR AUSTRIA: Reichsgesetzblatt, No. 127, 1889; Staatsgesetzblatt, No. 196, 1920; Bundesgesetzblatt, Nos. 125, 338, and 368, 1927, Nos. 232, 235, and 256, 1928, and Nos. 247 and 253, 1929; Hauptanstalt für Angestellten versicherung, Jahresbericht und Rechnungsabschluss, 1929; Versicherungsanstalt für Pharmazeuten, Taetigkeitsbericht und Rechenschaftsbericht, 1929; Bundesministeriums für Soziale Verwaitung, Mitteilungen, 8/1930; Grundriss des oesterreichischen Sozialrechtes, by Max Lederer.

Belgium

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Wage Earners' and Independent Workers' Insurance System

Coverage of System

The law of December 10, 1924, on insurance against old age and premature death, amended by the law of July 19, 1927, was revised, and the new law, published on July 14, 1930, provides for compulsory insurance for (1) wage earners of either sex employed in Belgium and connected with an enterprise having its headquarters in Belgium, and (2) independent workers whose professional income does not exceed 18,000 francs ($500.40) a year.[11]

The following are exempt from the provisions of the law:

(1) Miners, for whom there is a special old-age insurance system.

(2) Seamen, provided for by the special fund for assistance to seamen, affiliation to which is compulsory.

(3) Salaried employees subject to the specific law relating to the old-age insurance of salaried employees.

(4) Persons in the employ of the State, Provinces, communes, public institutions or public utilities, entitled to annuities under other laws.

Persons not subject to the provisions of the present law and over six years of age may insure at will. A special decree to be issued later will establish the conditions under which children of independent workers, employed by their parents, will be affected by the provisions of the law.

Contributions

Wage earners' contributions.—Contributions must be made each month by the wage earner and the employer jointly, such contributions being calculated on the basis of the wages received by the wage earner at the first pay day in that month. For the purpose of the contributions, the following eight wage classes are established:

TABLE 9.—*Wage classes established under old-age insurance system in Belgium*

[Conversions into United States currency on basis of franc=2.78 cents]

Wage class	Amount of wages—		
	Per week	Per 10 days	Per fortnight
Class 1	Under 50.00 fr. ($1.39)	Under 70.00 fr. ($1.95)	Under 100.00 fr. ($2.78).
Class 2	50.01–75.00 fr. ($1.39–$2.09)	70.01–105.00 fr. ($1.95–$2.92)	100.01–150.00 fr. ($2.78–$4.17)
Class 3	75.01–100.00 fr. ($2.09–$2.78)	105.01–140.00 fr. ($2.92–$3.89)	150.01–200.00 fr. ($4.17–$5.56).
Class 4	100.01–125.00 fr. ($2.78–$3.48)	140.01–175.00 fr. ($3.89–$4.87)	200.01–250.00 fr. ($5.56–$6.95).
Class 5	125.01–150.00 fr. ($3.48–$4.17)	175.01–210.00 fr. ($4.87–$5.84)	250.01–300.00 fr. ($6.95–$8.34).
Class 6	150.01–175.00 fr. ($4.17–$4.87)	210.01–245.00 fr. ($5.84–$6.69)	300.01–350.00 fr. ($8.34–$9.73).
Class 7	175.01–200.00 fr. ($4.87–$5.56)	245.01–280.00 fr. ($6.69–$7.78)	350.01–400.00 fr. ($9.73–$11.12).
Class 8	Over 200.00 fr. ($5.56)	Over 280.00 fr. ($7.78)	Over 400.00 fr. ($11.12).

[11] Conversions into United States currency on basis of franc equals 2.78 cents.

The monthly contributions for the workers in industries offering no special health hazard and for those in unhealthful industries are as follows:

TABLE 10.—*Monthly contributions required under old-age insurance system in Belgium*

[Conversions into United States currency on basis of franc=2.78 cents]

Wage class	Ordinary industries						Unhealthful industries					
	Wage earners' contributions		Employees' contributions		Total contributions		Wage earners' contributions		Employers' contributions		Total contributions	
	Belgian currency	United States currency	Belgian currency	United States currency	Belgian currency	United States currency	Belgian currency	United States currency	Belgian currency	United States currency	Belgian currency	United States currency
	Francs	*Cents*	*Francs*	*Cents*	*Francs*	*Cents*	*Francs*	*Cents*	*Francs*	*Cents*	*Francs*	*Cents*
Class 1	2.50	7.0	2.50	7.0	5	13.9	4	11.1	4	11.1	8	22.2
Class 2	3.50	8.0	3.50	8.0	7	19.5	6	16.7	6	16.7	12	33.4
Class 3	5.00	13.9	5.00	13.9	10	27.8	8	22.2	8	22.2	16	44.5
Class 4	6.50	18.1	6.50	18.1	13	36.1	10	27.8	10	27.8	20	55.6
Class 5	8.00	22.2	8.00	22.2	16	50.0	12	33.4	12	33.4	24	66.7
Class 6	9.50	26.4	9.50	26.4	19	52.8	14	38.9	14	38.9	28	77.8
Class 7	11.00	30.6	11.00	30.6	22	61.2	16	44.5	16	44.5	32	90.0
Class 8	12.50	34.8	12.50	34.8	25	69.5	18	50.0	18	50.0	36	100.1

The Government is authorized to fix special rates when the above scale is not applicable. Such rates will be calculated as follows: For workers in ordinary industries, at the rate of 1.33 per cent of the wages, with a maximum contribution per year of about 150 francs ($4.17) by the wage earner and the employer, respectively; for workers in unhealthful industries, at the rate of 2 per cent, with a maximum contribution of 200 francs ($5.56) by wage earner and employer.

Contributions by independent workers are fixed at a minimum of 1.50 per cent of their annual professional income up to a maximum of 12,000 francs ($333.60) per year. The contribution may not, however, be less than 60 francs ($1.67) per year for female workers, and 120 francs ($3.34) for male workers.

The contributions of the workers must be made until the age of 65 is reached.

The employer's contribution must be paid for all wage earners in his service; contributions for workers who have passed the age of 65 are paid into the fund for widows and orphans, instead of to the insurance organization.

If the insured wage earner is out of work as a consequence of an industrial accident, his contributions are deducted, until he is able to resume work, from the indemnity paid him under the workmen's compensation law. The employer's contributions must be paid during such time by the employer in whose service the injury was sustained. If the employer has a contract for the payment of such compensation with an insurance organization duly recognized by the Government, the latter deducts the wage earner's contribution from the compensation payable and sends this amount every month to the employer.

System for collecting contributions.—The employer deducts the amount of the wage earner's contribution from his salary and remits such amount, at the same time as his own contribution, directly to the insurance fund or to a mutual-benefit society which is authorized to act as intermediary. A decree will stipulate the conditions under which such remittances are to be made.

Contributions made by independent workers or by persons voluntarily insured are remitted to the insurance fund or to a mutual-benefit society duly authorized to act as intermediary under the conditions to be fixed by decree.

Regulations will be issued later governing the payments for workers who are paid wholly or partially in kind or whose remuneration consists wholly or partially of tips, whether these are paid directly to the employee or to the employer; workers employed by the job or on piecework, whether in a workshop or at home, in the service of several employers; workers who are not paid periodically; and workers occupied intermittently in the service of one or many employers.

State contribution.—The State contributes, in general, 50 per cent of the annual old-age benefit, this contribution beginning when the annuity becomes payable to the beneficiary for the normal periods, i. e., for those born after 1884. For those born before that year the State contribution is fixed as follows:

	Per cent
Males born during period—	
1867 to 1874	100
1875 to 1879	75
1880 to 1884	60
Females born during period—	
1872 to 1874	100
1875 to 1879	75
1880 to 1884	60

When the annuity begins at the age of 65, the maximum annual amount contributed by the State is 1,200 francs ($33.60); if benefit begins at an earlier age the State contribution is reduced according to a scale to be fixed by decree.

Provided the contributions required by the law have been made regularly, the State contribution is granted also on annuities to (1) the widow of an insured person; (2) the beneficiaries of a female insured person; (3) the wife of any person voluntarily insured, his legitimate children under 18 years of age, or the person having charge of his children; (4) any person voluntarily insured whose annual income does not exceed 24,000 francs ($667.20), and to his wife and legitimate children from 6 to 18 years of age.

The State contribution is not granted to insured persons of foreign nationality unless the country of origin of such foreigners provides for equal advantages to Belgians.

Benefits

Ordinary benefits.—Contributions made in conformity with the provisions of the present law are destined to insure old-age annuities to the following:

(1) Married males under 18 years of age.

(2) Married males over 18 years of age; also to their widows, provided the marriage occurred before the husband reached the pensionable age. The widow's benefit varies with the respective ages of husband and wife at the time of the husband's death, but may not exceed 50 per cent of the husband's benefit. Upon the authorization of the superior council for old-age pensions, and provided the husband's death occurred before he commenced to draw his old-age annuity, the widow's benefit may be commuted to a lump sum not exceeding one-half of the capitalized value of the annuity to which she is entitled.

(3) Unmarried, widowed, or divorced males over 18 years of age. Should the insured die before beginning to draw benefit, half of the funds credited to his account are remitted to his descendants (or to his ascendants in the absence of descendants under 16 years of age), and the other half is turned over to the fund for widows and orphans.

(4) Females under 18 years of age.

(5) Unmarried and married females over 18 years of age. Such a person may elect that, in case of death before beginning to draw benefit, the annuity shall be paid to designated persons whom the insured female supported or to her husband; the survivors' annuity in such cases may not exceed 30 per cent of the benefit to which the insured would have been entitled.

Annuities become payable at ages of 65 and 60 to male and female beneficiaries, respectively. At option and by giving 12 months' notice, this may be advanced to 60 and 55 years or 55 and 50 years, but in such cases the amount of annuity is reduced proportionately. In the case of wage earners in unhealthful industries, the annuity becomes payable at 55 for males and 50 for females.

The annuities vary in amount according to the length of time during which contributions have been made. As already shown, the State assumes the major part of the cost of the pensions of those born during the earlier years, its share diminishing thereafter in proportion as the employers' and workers' contributions have accumulated.[12]

Increased benefits.—Increases in the regular pensions are granted to insured persons of Belgian nationality and foreigners whose country grants similar rights to Belgians who were born between the years 1867 and 1907, if their regular premiums have been paid. These increases range from 50 francs ($1.38) per year for persons in the first wage class to 250 francs ($6.95) per year for persons in the eighth class, and from 60 to 120 francs ($1.67 to $3.34), according to the sex of the insured, for independent workers. Others not ordinarily entitled to this increase, including persons taking out voluntary insurance, may receive this increase if their actual annual income does not exceed a certain fixed sum. Additional allowances are granted to widows born prior to 1907 and an allowance of 240 francs ($6.67) is paid for each child under 16 years of age. In

[12] A table compiled by the committee reporting the law to the Chamber of Deputies gives the amount of the pension of a married man at the age of 65 in 1934 as 3,304 francs ($91.85), and at the same age in 1982 as 3,879 francs ($107.84); of an unmarried man at the same age as 2,204 francs ($61.27) and 3,879 francs ($107.84), respectively; and of a widow aged 65 who was the same age as her husband 678 francs ($18.85) in 1937 and 1,723 francs ($47.90) in 1977.

case of the death of the surviving husband or wife of the insured person, this amount is increased to 420 francs ($11.68) paid to the organization or person having charge of the children.

The maximum amount of increase is 3,200 francs ($78.96) to a married beneficiary and 2,100 francs ($58.38) to an unmarried, widowed or divorced beneficiary.

Administration

The general savings and retirement fund administers the insurance system, under the supervision of the Minister of Industry, Labor, and Social Welfare.

The superior council for old-age pensions, instituted in the Ministry of Industry, Labor, and Social Welfare, decides upon all matters relating to the interpretation and execution of the present law, and upon the applications made by widows of the insured for annuities. This council is aided by a subcommission.

The expenses incurred by this council are covered by the annual budget of the Ministry of Industry, Labor, and Social Welfare.

To cover administrative expenses an annual subsidy will be granted to authorized mutual benefit societies which will act as intermediaries between the insured and the general savings and retirement fund. The amount of such subsidy and the conditions under which granted will be fixed by a royal decree.

A special fund, the endowment fund for the payment of increases of old-age annuities, provides for the increased benefits. Its funds are made up of the proceeds of the annual allowance of 525,000,000 francs ($14,595,000) allotted for this purpose in the State budget, as well as, eventually, special additional funds requisitioned from the legislative body.

Increases of widows' annuities and allowances to orphans are paid from the fund for widows and orphans.

Salaried Employees' Insurance System

The law of March 10, 1925, relating to insurance against old age and premature death of salaried employees was revised by the law of June 18, 1930. The conditions for the execution of the new law were fixed by decree, and the law itself does not become effective until six months after the date of the publication of that decree.

Coverage of System

The law provides for compulsory insurance by persons of the following classes:

(1) Persons of either sex, of Belgian nationality, in the employ, in Belgium or abroad, of a Belgian firm or the branch of a foreign firm established in Belgium, and whose services are paid for by such concerns.

(2) Employees of either sex, of foreign nationality, who are working in Belgium for a Belgian firm or the branch of a foreign firm established in Belgium and whose services are paid for by such concerns.

(3) Persons of either sex, in the employ of the State, Provinces, communes, of public institutions, or of public utilities, who are not otherwise provided for under systems entitling them to an old-age annuity or providing benefits for their widows and orphans under 18 years of age, in the event of their death.

(4) Professional journalists.

(5) Members of the teaching profession employed in private educational establishments, to whom the specific laws relating to pensions to persons exercising such profession are not applicable.

(6) Operatic and dramatic artists or musicians (instrumentalists) exercising their profession in Belgium, in consequence of a contract for services with the manager of an enterprise for a period of at least one month.

The present law exempts from its provisions employees of either sex, of Belgian nationality, working in Belgium for a foreign concern having no branch office in Belgium, and employees residing in Belgium and working abroad for a foreign concern having no branch office in Belgium. Such employees may, however, elect to come under the law and make the prescribed contributions, in which case they become entitled to its benefits.

Contributions

Employees' and employers' contributions.—Contributions must be made by the employee at the rate of 3 per cent of his salary up to a maximum of 18,000 francs ($500.40) a year. The maximum contributed by the employee is 540 francs ($15.01) a year.

The employer's contribution is fixed at 4 per cent until 1960, with a maximum of 720 francs ($20.02); 4½ per cent from 1961 to 1975, with a maximum of 780 francs ($21.68); 4⅔ per cent from 1976 to 1990, with a maximum of 840 francs ($23.35); and 5 per cent from January 1, 1991, a maximum of 900 francs ($25.02).

The term "remuneration" covers any sum paid to an employee as the result of a contract for services, namely, salaries at fixed rates, cost-of-living bonuses, commissions, percentages, allowances for an extra month, dismissal wage, and payments in kind.

Contributions must be made by men up to the age of 65 and by women up to the age of 60.

The employer's contribution is due for each employee in his service, even for an employee hired on trial, and must be made at the periods fixed for the payment of such contributions.

The employee's contribution is deducted from his salary by the employer. The procedure for the remittance of the employee's as well as the employer's contribution to the insurance organization is to be determined by decree.

State contribution.—The contribution of the State is due when the insured person begins to receive his old-age annuity. It varies according to the length of time during which the insured person has been paying contributions, but the maximum amount of the State contribution is fixed at 1,200 francs ($33.36). No payment is made by the State for insured foreign workers unless their native country grants the same privileges to Belgians.

Benefits

Annuities are payable to the following:

(1) A married male employee; also to his widow, provided the marriage occurred before he began to benefit from the old-age annuity. The amount of life annuity paid to the widow varies with the respective age of husband and wife at the time of the husband's death and may not exceed 50 per cent of the husband's old-age benefit. Upon the authorization of the superior council for pensions to employees, and upon condition that the husband's death occurred before beginning to draw benefit, the widow's benefit may be commuted to a lump sum not exceeding one-half of the capitalized value of the annuity of which she is the beneficiary.

(2) An unmarried, widowed, or divorced male employee. In case such employee dies before benefiting from his old-age annuity, three-sevenths of the capital to his credit is turned over to his descendants or ascendants, or in the absence of either descendants or ascendants, to the persons designated by him as beneficiaries of his estate. The balance (four-sevenths) is remitted to the fund for allowances to employees. In the absence of heirs or beneficiaries, the total amount is turned over to the aforementioned fund. In case such employee had begun to draw benefit before his death, the total amount of the capital is turned over to the fund for allowances to employees. However, the beneficiary of an old-age annuity may obtain the conversion of three-sevenths of such capital into an annuity for his own benefit, and in such case only the balance of the capital is remitted to the fund. Should the beneficiary of the old-age annuity marry or remarry and die before his wife, the fund for allowances to employees provides for a life annuity to the widow. In case the beneficiary is not married at the time of his death and has not requested the conversion above referred to for his own benefit, the capital turned over to the fund for allowances to employees is allotted to the descendants or ascendants of the deceased or to the beneficiaries of his estate designated by him. If the conversion has been requested, the capital remitted to the fund for allowances to employees remains in the possession of such fund.

(3) A female employee. Upon the approval of the superior council for pensions to employees, she may elect that in case of her death before benefiting from the old-age annuity the funds in her account shall be used for a life annuity to persons whom she supported, but not to exceed in amount 30 per cent of her old-age annuity. A female employee who has made the prescribed contributions may, at the time the annuity becomes payable, elect to have the annuity commuted to a lump sum not to exceed three-sevenths of the capitalized value of her annuity.

The benefits under the system begin at the age of 65 for males and 60 for females; the beneficiary may advance these years to 55 and 50, respectively, but in that case the benefits are reduced proportionately.

The amount of the annuity varies with the period and amount of the contributions.

Supplementary allowances.—Supplementary allowances are paid (1) to pensioned employees (male and female) who were born during a specified period prior to January 1, 1895, and have made the required contributions, (2) to their widows, provided the difference between the ages of husband and wife is less than 20 years, provided the marriage did not take place after the husband began to draw his annuity, and provided the widow does not remarry, and (3) to the children under 18 years of age.

The amount of the allowance to beneficiaries under (1) may not exceed 50 per cent of the average annual pay during the last 5 years; and in case of beneficiaries under (2) may not exceed 25 per cent of the husband's average annual salary during that period. The amount of the children's allowance is to be fixed by decree.

Up to the time when the laws relating to compulsory insurance in case of invalidity will be effective, the fund grants to insured employees who have become totally and permanently incapacitated an allowance the amount of which and the conditions under which granted are to be fixed by royal decree.

Administration

The insurance system for employees is administered by the following organizations: The National Fund for Pensions to Employees; the General Savings and Retirement Fund; and insurance establishments duly recognized by the Government upon the recommendation of the superior council for pensions to employees. Such insurance establishments consist of (*a*) the autonomous insurance organizations established in the commercial, industrial, or financial enterprises, (*b*) common insurance organizations instituted by the heads of enterprises, and (*c*) insurance companies legally constituted.

The organizations described under (*a*) and (*b*) are administered by a council comprising an equal number of employers' and of employees' representatives. The National Fund for Pensions to Employees, in the Ministry of Industry, Labor, and Social Welfare, is under the control and guaranty of the State and is governed by a board of directors and by a general managing director. The board of directors is composed of 5 employees' representatives, 5 employers, and 5 representatives of the Minister of Industry, Labor, and Social Welfare, among whom are the managing director and the "actuaire" of insurance and social welfare, and the director of the department of old-age pensions.

With the exception of the aforementioned functionaries who are ex officio members, the members of the board are designated by the King for a period of six years. Every three years one-half of the members go out of office.

The managing director of the national fund for pensions to employees is designated by the King and may never be a member of the board of directors.

The regulations relating to the functioning of the national fund are to be fixed by decree.

The employee may choose the insurance organization to which he wishes to be affiliated and to which his contributions, as well as those of the employer, shall be paid. Employees must be affiliated to the

National Fund for Pensions to Employees if they are not affiliated to another insurance organization.

It is the duty of the superior council of pensions to employees in the Ministry of Industry, Labor, and Social Welfare to decide upon requests for the official recognition or repeal of insurance organizations, appeals against decisions by the fund, applications for the annuity made by widows of insured employees, and all matters pertaining to the interpretation and execution of the present law.

The fund for allowances to employees is a solidarity fund under the control of the Ministry of Industry, Labor, and Social Welfare. It decides upon applications for and payments of old-age allowances to employees, allowances to widows of employees, allowances to orphans of employees, and allowances to employees for invalidity. It is administered by a board of directors and by the managing director of the National Fund for Pensions to Employees.

Its funds consist of the following:

(1) Contributions made by all employers, the annual amounts of such contributions being fixed, per employee on December 31, at 120 francs ($3.34) until 1960, 80 francs ($2.22) for the years 1961 to 1975, and 40 francs ($1.11) for the years 1976 to 1990. If the employee works for several employers, each employer must contribute, unless the employee's salary is less than 3,500 francs ($97.30). In this case the contribution is only half of the above-mentioned sums.

(2) Contributions made by employees born before January 1, 1895, that is to say by all employees who, in view of their age, are entitled to an old-age pension. The amounts of such contributions are: 90 francs ($2.50) for employees born before January 1, 1875, 75 francs ($2.09) for employees born between 1875 and 1879, 60 francs ($1.67) for employees born between 1880 and 1884, 45 francs ($1.25) for employees born between 1885 and 1889, and 30 francs ($0.83) for employees born between 1890 and 1894.

(3) Funds remaining in the accounts of unmarried, widowed, or divorced male contributors (see p. 138).

A royal decree will establish the regulations relating to the organization and functioning of the above-mentioned fund, as well as the procedure to be followed for examining applications for and payment of allowances.

Failure on the part of the employer or his representative to comply with the provisions of the law will be punished by imprisonment or fines (see under wage earners' system of insurance against old age and death, etc.).

Miners' Insurance System

The detailed description of this system was received too late for inclusion here. For summary data see paster following page 98.

SOURCES FOR BELGIUM: Laws of June 18 and July 14, 1930.

Bolivia

By Sheldon T. Mills, *American Vice Consul, La Paz*

There is no old-age pension or insurance system in force in Bolivia which applies to the civil population in general. There is, however, the law of December 7, 1926, which applies solely to bank employees.

Bank Employees' Insurance System

The law of December 7, 1926, provides compulsory insurance against old age for bank employees in Bolivia.

Contributions

The employees' insurance fund is made up as follows: (1) Two per cent of the net profits of the banks, as a minimum, and contributions by shareholders or owners; (2) 20 per cent of the sums charged for protested notes; (3) 5 per cent of the total interest received by the banks as penalties for overdue, attached, and protested notes and drafts; (4) extra contributions by the bank in special cases when approved by the general board of directors and by the owners; (5) a deduction of 1 per cent from the salaries of the employees; (6) fines or deductions imposed upon employees for absence or other fault.

Benefits

The benefit of the insured amounts to 70 per cent of the last month's salary after 20 years' service, 85 per cent after 25 years' service, and the full salary after 30 years' service.

Disability arising out of the occupation after 10 years' continuous or 15 years' noncontinuous service entitles an employee to a benefit for 5 years of 50 per cent of his last salary plus 10 per cent for each 5 years' additional service.

The survivors' benefit amounts to 6 months' salary after 5 years' continuous service, 1 year's salary after 10 years' continuous service, 18 months' salary after 15 years' continuous service, and 3 years' salary after 20 years' continuous service. If the employee dies after 30 years' continuous service, the heirs shall receive the amount he would have received as an annuity for 5 years.

Administration

The National Department of Labor may be appealed to in certain cases where an employee disagrees with the findings in his case by the board having jurisdiction.

Statistics of Operation

The following information on the operation of the law for employees of the Banco Central de Bolivia was supplied by the bank in question:

Number of beneficiaries during operation of law		159
Amount paid in pensions, Dec. 7, 1926, to June 30, 1930	Bs. 62, 551. 50 [13]	($22, 831. 30)
Income of pension fund, Dec. 7, 1926, to June 30, 1930	Bs. 265, 674. 72	($96, 971. 27)
Expenditures to June 30, 1930:		
Annuities	Bs. 36, 451. 50	($13, 304. 80)
Pensions	Bs. 18, 900. 00	($ 6, 898. 50)
Pensions for widows and orphans	Bs. 7, 200. 00	($ 2, 628. 00)
Total	Bs. 62, 551. 50	($22, 831. 30)
Balance in fund on June 30, 1930	Bs. 203, 123. 22	($74, 139. 97)

The bank reports that there is no cost for administration, as the fund is managed by the bank gratuitously.

No data are available as regards the old-age pension funds of the other two leading banks of Bolivia.

[13] Conversions into United States currency on basis of boliviano equals 36.5 cents.

Brazil

By Claude I. Dawson, *American Consul General, Rio de Janeiro*

There is no general old-age pension or insurance system in Brazil, but an old-age insurance system for employees of public-utility companies has been established by Federal legislation.

Up to 1931 the old-age insurance system in Brazil had covered railway employees and port workers and had been governed by three laws. The first of these was the legislative decree of December 20, 1926, extending the provisions of the decree of January 23, 1923, to others besides railway employees; and the other two decrees, both of October 11, 1927, defined the mode in which the legislative decree of December 20, 1926, should apply to railway and other employees. The decree of October 1, 1931, superseded all previous legislation and extended the coverage to all employees of all types of public utilities.

Public Utility Company Employees' Insurance System

Coverage of System

The following classes of workers are covered: All employees and day laborers of railways and port companies and of public-utility companies supplying light, power, gas, telephone and telegraph service, water, sanitary services, etc., who have rendered effective service for more than 30 consecutive working days, whether they are employed on the basis of monthly salaries or day wages, or are paid by piecework; employees and officials of the pension organizations; technicians, administrative employees, etc., when employed as part of the permanent staff of the company; and school-teachers employed or subsidized by the companies to teach the children of their employees.

Contributions

The contributions are as follows:

(1) From the employees (*a*) an entrance contribution amounting to one month's wage or salary, payable in 24 monthly installments; (*b*) a percentage of the wages, monthly, varying according to the proportion that the expenditures from the fund to which they belong form of the revenues, as follows: 3 per cent when the expenditures are less than 50 per cent of the revenues, 4 per cent when they reach 50 per cent, 5 per cent when they reach 70 per cent, and 6 per cent when they reach 80 per cent of the revenues; and (*c*) the first month's increase of wages, payable in a lump sum. The employees' contributions are deducted from their wages each month by the company.

Teachers and employees of the funds hired in the future will be required to pay contributions at double the rate; present employees are exempted from this provision.

(2) From the companies an annual contribution of 1½ per cent of their gross income, payable in monthly installments equal to the monthly contributions of the employees.

(3) From the public the sum produced by an increase in the existing rates charged for the products or services of the companies.

(4) Fines paid by the employees or the companies.

(5) Gifts and legacies to the fund.

(6) Interest on accumulated funds.

(7) Wages or salaries not claimed within two years.

(8) Retirement allowances not claimed within five years after becoming due.

(9) Discounts from pensions. (See under benefits.)

Benefits

The amount of the old-age benefit is calculated on the average monthly wages received during the last three years' service, and the percentage of wages to be paid as benefits may not fall below 70 nor exceed 100. The funds are directed to submit recommendations to the National Council of Labor, every three years, as to what this percentage should be. For the present the percentage is set at 85. The minimum benefit is set at 200 milreis ($23.92) and the maximum benefit at 3,000 milreis ($358.80) monthly. The retirement allowances over 600 milreis ($71.76) per month are subject to a discount (on the amount by which the pension exceeds 600 milreis), as follows:

Monthly benefit:	Rate of discount (per cent)
601–700 milreis ($71.88–$83.72)	3
701–800 milreis ($83.84–$95.68)	5
801–900 milreis ($95.80–$107.64)	8
901–1,000 milreis ($107.76–$119.60)	10
Over 1,000 milreis ($119.60)	15

To obtain the full annual benefit for ordinary retirement the employee must have had at least 30 years' service, have attained the age of 50 years, and have made 5 years' contributions. In case of especially hazardous or unhealthful industries, which lower the vitality of the worker, the required period of service may be reduced to 25 years and the age to 45 years. An employee who is over 50 years old and has had more than 30 years' service, or who is over 60 and has had more than 20 years' service, may retire, receiving one-thirtieth of the average annual wage for each year of service, subject to a maximum of 85 per cent of wages. Retirement is compulsory at 65, provided the employee has served at least 10 years, the benefit in this case also being calculated on the basis of one-thirtieth of the full benefit for each year of service. The company may also retire, compulsorily, an employee who has attained the age of 55 but whose period of service is insufficient for ordinary retirement and who is shown by medical examination to be incapable of performing his normal duties; in such cases the company must pay both its own and the employee's contributions for the remaining period necessary to complete the years of service required for ordinary retirement, and the retirement allowance shall correspond to the period of service rendered plus a life income calculated on the amount of the anticipated contributions with interest at 6 per cent. A benefit is also paid, on medical certificate, in case of total disability after five years' service, amounting to one-thirtieth of the average pay for the last three years for each year of service; the minimum monthly benefit is fixed at 200 milreis ($23.92).

An interesting provision of the law is that the maximum benefit shall be payable except when this is impossible because of "reasons of actuarial, economic, and political order."

Survivors' benefits.—In case of the death of an insured having more than five years' service, the following are eligible for benefit (in the order indicated) provided they were totally dependent on the deceased: (1) The surviving wife, invalid husband, and children (legitimate, legitimated, or legally adopted); (2) invalid father or widowed mother; and (3) single sisters. On the death of a widow or widower, their share reverts, in equal parts, to the minor children and unmarried daughters.

Survivors' benefits may not exceed 50 per cent of the benefit to which the insured was entitled. If the deceased had less than five years' service, the heirs may receive a lump-sum payment calculated in accordance with the contributions made.

Right to the benefit is lost (1) by the widow, in case of remarriage; (2) by the sons when they become 18 years old unless incapacitated by physical defects; (3) by the daughters and sisters when they marry; (4) by the beneficiary himself if he becames a lawbreaker.

Medical, etc., benefits.—The funds are directed to maintain medical, hospital, and pharmaceutical services but are limited, in their expenditures for this purpose, to 8 per cent of the total annual revenue.

Administration

Each benefit fund is to be managed by an administrative council composed of four or six unpaid members, serving for three years each, half of the members being designated by the company, half elected by the insured employees, and the chairman being chosen by the members of the council. In the case of companies having less than 5,000 employees the council is to be composed of four members, and in case of those having 5,000 or more, six members. These new councils take office January 2, 1932.

In case the council denies a claim, appeal may be taken to the National Department of Labor.

Each fund is required to submit to the National Council of Labor a budget showing the estimated details of its operation and financial condition. Three per cent of the contributions are to be paid into the National Treasury, to be used for the expenses of the National Council of Labor.

Provision is made by law that the moneys accumulated under the old-age insurance system may, under certain safeguards, be used for mortgage loans for the construction of houses for the members of the benefit funds (*caixas*).

Statistics of Operation

There has, of course, been no experience under the decree of October 1, 1931. The former system covers 130,163 railway employees and 10,272 port workers, and the following are receiving benefits: Railway employees, 10,469 (6,702 retired and 3,767 survivors); port workers, 328 (228 retired and 100 survivors). The benefits paid, cost of administration, and revenue are shown in the following table:

TABLE 11.—*Total benefits paid, revenues and expenses, and cost of administration of benefit funds in Brazil, in specified periods*

[Conversions into United States currency on basis of milreis=11.96 cents]

Item	Retirement benefits	Survivors' benefits	Revenues of funds	Expenses of funds	Cost of administration
	Brazilian currency				
	Milreis	*Milreis*	*Milreis*	*Milreis*	*Milreis*
Railway employees:					
1929	21,217,347.964	2,817,971.142	62,914,437.828	32,547,954.114	2,449,290.819
1923–1929	60,100,548.758	7,248,923.534	233,133,627.134	101,797,532.657	6,933,840.635
Port workers:					
1929	632,561.680	59,161.862	5,890,209.608	1,355,623.554	169,803.300
1928–1929	829,155.839	75,718.829	11,156,420.031	2,063,515.578	346,480.150
	United States currency				
Railway employees:					
1929	$2,537,594.82	$337,029.35	$7,524,566.76	$3,892,735.31	$292,935.18
1923–1929	7,188,025.63	866,971.25	27,882,781.81	12,174,984.91	829,287.34
Port workers:					
1929	75,654.38	7,075.76	704,469.07	162,132.58	20,308.47
1928–1929	99,167.04	9,055.97	1,334,307.84	246,796.46	41,439.03

SOURCES FOR BRAZIL: Decreto n. 5109 de 20 dezembro de 1926; Decreto n. 17940 de 11 de outubro de 1927; Decreto n. 17941 de 11 de outubro de 1927—Rio de Janeiro, 1928; Conselho Nacional do Trabalho, Decreto n. 17940 de 11 de outubro de 1927, Regulamento das Caixas de Aposentadoria et Pensões dos Portuarios, Rio de Janeiro, 1927; Conselho Nacional do Trabalho, Decreto n. 17941 de 11 de outubro de 1927, Regulamento das Caixas de Aposentadoria e Pensões dos Ferrorviarios, Rio de Janeiro, 1927.

Bulgaria[15]

The social insurance system of Bulgaria (providing for insurance for accidents, sickness, maternity, invalidity, and old age) was established by Decree No. 7, of March 6, 1924, as amended by Decree No. 4, of January 17, 1929, Decree No. 13, of July 10, 1929, and Act of April 4, 1931.

Whereas the social insurance systems in the principal European countries originated as a result of the strong organization of labor, with only a partial governmental control, the system in Bulgaria was created directly by the Government, the part played by the workers' and employers' representatives being simply consultative. The system was apparently adopted in this manner on account of the unpreparedness of workers and employers alike for such a task.

Originally created under the name of "workers' insurance," the system gradually developed and spread throughout the country. In 1924 its scope and methods were enlarged, according to the special law of March 6 of the same year, the name being changed to "social insurance." Further important amendments in the law were made on January 17, 1929, and on April 4, 1931.

Although the social insurance system is in operation and contributions are being paid into the fund, benefits are not yet being paid for old age or invalidity.

Wage Earners' and Salaried Employees' Insurance System

Coverage of System

The law is an inclusive one, covering both wage earners and salaried employees—"all persons hired for work, irrespective of their sex, age, race, the nature of work, and the manner of payment." It provides for the compulsory insurance of all such persons between 15 and 60 years of age, except those already covered by other pension systems, and those temporarily employed.

The employer is made responsible for seeing that his employees are properly insured.

An insured who, after having paid at least 156 contributions, changes his occupation to one not compulsorily covered by the law, may continue his insurance by keeping up the payment of the weekly contributions (including those formerly paid by his employer).

Voluntary insurance under the act is permitted to independent artisans, merchants, farmers, and persons in the liberal professions, whose annual income does not exceed 50,000 leva ($360);[16] also to State and municipal employees, if their retirement system provides benefits less liberal than those under the social insurance law.

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15 Data furnished by Thomas F. Sherman, American Consul, Sofia.
16 Conversions into United States currency on basis of lev equals 0.72 cent.

Foreign workers residing in Bulgaria may insure under the law, if the country of which they are nationals provides equal privileges for Bulgarian citizens.

In the calculation of the right to benefit, time spent in military service, in compulsory labor, or in illness, is credited at the rate of 40 weeks to 1 year.

Contributions

For purposes of the law the workers are divided into five classes according to their average daily wages, as follows:

	Average daily wage
Class 1	15 leva (10.8 cents)
Class 2	16–30 leva (11.5–21.6 cents)
Class 3	31–45 leva (22.3–32.4 cents)
Class 4	46–60 leva (33.1–43.2 cents)
Class 5	Over 60 leva (over 43.2 cents)

Contributions are made weekly, one-third being paid by the insured, one-third by the employer, and the remaining third by the State. The total so contributed is, by wage classes, as follows:

	Total weekly contribution
Class 1	4.50 leva (3.3 cents)
Class 2	6.00 leva (4.3 cents)
Class 3	7.50 leva (5.4 cents)
Class 4	9.00 leva (6.5 cents)
Class 5	12.00 leva (8.6 cents)

An exception to the foregoing is made by a 1931 amendment to the law, providing that building contractors working on public buildings shall contribute at the rate of 3 per cent of the wages paid to their employees, the amount of the contribution being deducted from the amount due the contractor.

In the case of persons voluntarily insured, the total amount of the weekly contribution is the same as for those compulsorily insured, but two-thirds are paid by the insured himself and one-third by the State.

For apprentices, the employer is responsible for the payment not only of his own contribution but also that of the apprentice, the weekly amount being 3 leva (2.2 cents).

In the case of State and municipal employees covered by the law, the contribution is at the rate of 3 per cent of the salary, one-half paid by the employer and one-half by the worker.

The contributions of workers and employers must be made for the whole of any week in which the worker has employment.

Payment of contributions is evidenced by the entry of insurance stamps in a booklet which must be procured for the purpose from the labor inspectorates. The value of the stamps is forwarded to the National Bank of Bulgaria for the Social Insurance Fund.

Other income of the fund consists of the capital left by dissolved mutual-benefit associations of workers, the fines imposed for violations of orders of the labor inspectorate and of other laws, and all donations and bequests.

Benefits

The law provides for the payment of—

(1) An invalidity annuity in the case of an insured person, regardless of age, when his working capacity has been permanently

reduced to less than half of normal, provided this did not occur as the result of an accident and provided he has paid contributions for 156 weeks or more. A person who has paid 156 contributions and has been ill uninterruptedly for 9 months without being permanently disabled may be granted the invalidity benefit for the duration of his illness.

(2) An old-age annuity in case of an insured person who has reached the age of 60 years, provided he has paid 1,040 weekly contributions.

The right to invalidity benefit lapses if the insured fails to make at least 24 weeks' contributions in any subsequent year, but is regained when the number of contributions again amounts to 156.

The invalidity benefit becomes payable on the day the application therefor is received by the insurance fund; the old-age benefit, on the first day of the month following the sixtieth birthday.

The annuity may be granted to persons between 50 and 60 years after having made 26 contributions during the past year and a total of 260 contributions; and to those between 40 and 50 years after having made 520 contributions (but the remaining required contributions up to 1,040 will be deducted from the benefit).

Persons who have reached 60 years of age at the time the law goes into force may be granted the basic old-age pension of the lowest class, after making 156 contributions, only if they have no income at all and if their working capacity is reduced by at least one-third.

Amount of benefit.—The basic invalidity benefit varies in amount according to the average daily wage class of the insured, as follows:

	Annual benefit
Class 1	1,500 leva ($10.80)
Class 2	2,400 leva ($17.28)
Class 3	3,600 leva ($25.92)
Class 4	4,800 leva ($34.56)
Class 5	6,000 leva ($43.20)

This basic benefit is increased by an amount equal to 2 leva (1.4 cents) for each week of contributions in excess of the minimum of 156 weeks.

The annuity for old age consists of the same basic amount as for invalidity, increased by 1 lev (0.72 cent) for each week of contributions in excess of 156.

The contributions of an insured person who dies before beginning to draw benefit are refunded to his minor children or his wife, or to his parents if their annual income does not exceed 6,000 leva ($43.20).

No old-age benefits have as yet been paid.

Administration

The administration of the whole social insurance system was originally intrusted to the Ministry of Commerce, Industry, and Labor, acting through the Bureau of Social Insurance, specially created in the labor section of the ministry. By a 1931 amendment this bureau will be absorbed by a Directorate of Labor and Social Insurance, which will also include the whole labor section of the ministry, thus concentrating all labor matters in one body.

The law created also a Social Pensions Commission which is charged with the special duty of granting, refusing, revising, or stopping the pensions granted under the law. This commission is composed of the chief of the labor section (acting as president), the chief and accountant of the Bureau of Social Insurance, the inspecting physician of the labor section, two physicians of the High Medical Council, two representatives each of employers and workers, and a judge of the appellate court. Appeal may be taken from the decisions of the commission to the High Administrative Court, through the Minister of Commerce, Industry, and Labor, within one month after the commission's decision is rendered.

The High Council of Labor and Social Insurance, created by the law on hygiene and security of labor, is directed to act in an advisory capacity as regards the application of the social insurance law.

The social insurance law is enforced locally by the labor inspectorates, which are under the control of the central administration. Local authorities are required to cooperate with these inspectorates and eventually must create a special service for this purpose.

The accounts of the various branches of the social insurance are kept separately by the Bureau of Social Insurance and are audited each year by a commission composed of one representative each of the Ministry of Commerce, Industry, and Labor, the Ministry of Finance, the State Audit Office, the National Bank of Bulgaria, the chambers of commerce, and the workers.

Statistics of Operation

The total number of persons covered by the social insurance system of Bulgaria is not definitely established.

According to the census of December 31, 1926, the total number of persons who have declared themselves as workers (employed or unemployed) was 306,603, inclusive of 29,000 workers in the so-called model farming estates but not including any other farm laborers.

The total number of workers engaged in work, however (men, women, insured and uninsured), as established by the organizations of the ministry in 1927, was 195,378, of whom 12,218 persons were without the required insurance stamp booklet. The number of stamp books issued during the same year was 217,760, of which 1,101 were for voluntarily insured persons. The excess of insurance booklets over the actual number of workers does not indicate that all workers are insured, according to a report of the chief of the labor section. On the contrary, a considerable number of workers in agricultural establishments, mines, quarries, construction industry and liberal professions are not insured. The excess of booklets over the number of workers recorded is therefore explained in the following way: (1) A number of workers engage in work for a short time, become insured, and after leaving their work are lost; (2) several booklets may have been issued to the same person, particularly in cases where a worker has changed from one to another line of production, moved from one district inspectorate to another, etc.; (3) some insured workers who are unemployed nevertheless continue to keep their booklets in order although not engaged in work at the time.

On the basis of these facts it is stated that the number of irregularly insured is about 50,000 and that the total number of regularly insured persons is between 160,000 and 180,000.

The development of the insurance system may be seen from the number of insurance booklets issued from 1919 to 1927, as follows:

	Number of stamp books		Number of stamp books
1919	34,720	1924	167,220
1920	62,364	1925	241,143
1921	97,564	1926	221,372
1922	112,242	1927	217,760
1923	125,680		

Since the old-age and invalidity insurance is an integral part of the general social insurance scheme, it is difficult to segregate the data for this one phase of insurance. The reports of the social insurance fund show, however, that during the fiscal year 1927–28 the contributions for this type of insurance amounted to 27,065,071 leva ($194,869). There were no disbursements for either invalidity or old-age annuities. The following is a summary of the account for this type of insurance:

Receipts:		
Balance, Apr. 1, 1927	83,165,839 leva	($598,794)
Contributions	27,065,071 leva	($194,869)
Interest	4,538,955 leva	($32,680)
Total	114,769,865 leva	($826,343)
Expenditures: Administrative expenses	3,034,000 leva	($21,845)
Balance in fund Mar. 31, 1928	111,735,865 leva	($804,498)

SOURCES FOR BULGARIA: Decree of Mar. 6, 1924, Decree of Jan. 17, 1929, Act of Apr. 4, 1931; Social Insurance Regulations; and 1930 Yearbook of Bulgarian Ministry of Commerce, Industry, and Labor

Canada

By Irving N. Linnell, *American Consul General, Ottawa*

General Pension System

In 1924 a special committee was appointed by the Canadian Parliament to study the old-age security problem and to make recommendations. In its report this committee unanimously proposed a system whereby one-half of the pension payable would be borne by the Federal Government and the other half by the adopting Province, the administrative expenses being borne by the provincial governments. After an interval of several years an act embodying the recommendations of the committee was passed and became a law on March 27, 1927.

The law makes the adoption of the system optional with the Provinces. All the Provinces except Quebec and New Brunswick have now accepted the law.

Coverage of System

The act as adopted covers all British subjects in Canada.

Contributions

The system is a noncontributory one. The cost of the pensions is borne equally by the Provinces and the Federal Government.[17]

Benefits

The pension becomes payable at the age of 70 years, provided the applicant (*a*) is a British subject, or if a widow, who is not a British subject, was such before her marriage; (*b*) has attained the age of 70 years; (*c*) has resided in Canada for the 20 years immediately preceding the date of application; (*d*) has resided in the Province in which the application for pension is made for the five years immediately preceding the said date.

Indians, as defined by the so-called Indian act, are debarred from pension, as are also persons having an income of $365 or more a year, and persons who have assigned or transferred their property for the purpose of qualifying for the pension.

The maximum pension payable amounts to $240 per annum, which is subject to reduction by the amount of the income of the pensioner in excess of $125 a year.

It is provided that if a pensioner, after the grant of a pension, transfers his residence to some place outside of Canada, his pension

[17] The Dominion Government is pledged to the raising of the Federal Government's share of the cost from 50 to 100 per cent. No legislation has yet been adopted to this end, but the recent budget submitted by the Premier made allowance for the payment of 75 per cent of the cost by the Dominion Government.

ceases until he reestablishes his residence in Canada. The pension is not subject to alienation or transfer by the pensioner, nor to seizure in satisfaction of any claim against him.

Administration

The administration of the act and regulations thereunder are vested in the Minister of Labor. The system in the Provinces is administered by provincial officials. The Dominion Department of Labor pays quarterly to each Province one-half of the total amount of the pensions paid by the provincial pension authorities during the preceding three months.

Statistics of Operation

Table 12 shows the number of pensioners on the rolls March 31, 1931, and the amount spent in pensions in specified periods, for the Northwest Territories and the five Provinces in which the system was in operation on that date. The Provinces of Nova Scotia and Prince Edward Island have recently passed acts authorizing the adoption of the pension system, but have as yet had no experience under the system.

TABLE 12.—*Financial summary of old-age pensions in Canada as of March 31, 1931*

Province	Date act became effective	Number of pensioners	Average monthly pension	Amount paid in pensions—		
				First quarter of 1931 [1]	Year ending Mar. 31, 1931 [1]	Since adoption of act [1]
Alberta	Aug. 1, 1929	3,287	$19.53	$185,459	$683,641	$951,061
British Columbia	Sept. 1, 1927	5,557	19.03	324,749	1,213,927	3,263,564
Manitoba	Sept. 1, 1928	5,834	19.25	345,334	1,340,551	2,989,847
Ontario	Nov. 1, 1929	37,334	19.15	1,578,841	7,068,422	9,324,111
Saskatchewan	May 1, 1928	5,913	19.37	351,592	1,252,189	2,572,132
Northwest Territories	Jan. 25, 1929	5	19.83	468	1,563	2,120
Total		57,930		2,786,443	11,560,293	19,102,835

[1] One-third paid by Dominion Government.

Table 13 shows the relative proportion of pensioners in the population in each Province, as of March 31, 1931.

TABLE 13.—*Relative proportion of pensioners in population of Canada as of March 31, 1931*

Province	Total number of pensioners	Per cent pensioners form of—		Per cent all persons aged over 70 form of total population
		Total population	Population aged over 70	
Alberta	3,287	0.50	42.58	1.17
British Columbia	5,557	.93	50.53	1.84
Manitoba	5,834	.87	51.49	1.68
Ontario	37,334	1.13	32.32	3.48
Saskatchewan	5,913	.67	57.56	1.17
Northwest Territories	5	.05	4.46	1.17

The conjugal status of the old-age pensioners is shown in Table 14:

TABLE 14.—*Marital status of old-age pensioners in Canada as of March 31, 1931*

Province	Married		Single		Widowed		Living apart	
	Males	Females	Males	Females	Males	Females	Males	Females
Alberta	950	425	249	53	648	881	62	19
British Columbia	1,300	652	819	175	896	1,427	208	80
Manitoba	1,813	1,021	289	126	891	1,657	27	10
Ontario	8,723	4,739	2,487	2,659	5,948	12,556	124	98
Saskatchewan	1,948	997	273	60	1,028	1,554	36	17
Northwest Territories	3				1	1		
Total	14,737	7,834	4,117	3,073	9,412	18,076	457	224

The countries of origin of the pensioners are given in Table 15:

TABLE 15.—*Countries of origin of persons receiving old-age pensions in Canada, March 31, 1931*

Country of origin	Alberta	British Columbia	Manitoba	Ontario	Saskatchewan	Northwest Territories	Total
Canada	1,532	2,497	2,598	27,412	2,505	4	36,548
England	525	1,545	838	5,171	685		8,764
Scotland	194	596	351	1,350	313		2,804
Ireland	86	248	169	1,545	104		2,152
United States	326	242	100	680	307		1,655
Austria	102	15	374	46	595		1,132
Poland	104	10	464	81	299		958
Germany	78	59	46	383	132	1	699
Russia	55	2	170	133	276		636
Iceland	8	10	391		54		463
Sweden	75	82	87	54	133		431
Norway	89	55	35	24	160		363
France	17	17	59	35	35		163
Hungary	5	2	12	5	133		157
Italy	5	40	4	102	3		154
Rumania	15	2	26	21	74		138
Newfoundland	4	26	2	99	4		135
Wales	10	1	9	51	17		88
Belgium	6	13	42	6	14		81
Denmark	21	19	11	14	16		81
Finland	5	18	3	16	16		58
Netherlands	4	11	11	6	4		36
British West Indies	1	5	5	16	1		28
Czechoslovakia	4	4	5	6	7		26
Switzerland	7	2	5	10	2		26
Australia	3	8	2	9			22
India		6	2	9	1		18
Channel Islands		1	1	15			17
South Africa	1	3	1	7			12
Yugoslavia					10		10
Turkey		2		6	1		9
Syria		1	1	4	2		8
Greece	2	1		2	1		6
British East Indies		1		4			5
Isle of Man		2		1	2		5
Gibraltar		1		3			4
Luxemburg			1	1	2		4
Bulgaria	2				1		3
Malta				2	1		3
New Zealand		2		1			3
Bahamas		1			1		2
British Guiana			1	1			2
Isle of St. Helena			1	1			2
Japan		2					2
Labrador		1		1			2

TABLE 15.—*Countries of origin of persons receiving old-age pensions in Canada, March 31, 1931*—Continued

Country of origin	Alberta	British Columbia	Manitoba	Ontario	Saskatchewan	Northwest Territories	Total
Latvia			2				2
Lithuania			2				2
Persia					2		2
Peru		2					2
Algeria			1				1
Arabia				1			1
Chile		1					1
China	1						1
Madeira		1					1
Samoa Islands			1				1
Spain			1				1
Total	3,287	5,557	5,834	37,334	5,913	5	57,930

Canadian Government Railway Employees' Insurance System

Coverage of System

Under the present law and regulations, employees of the Canadian National Railways, the railways owned by the Canadian Government, are entitled to pensions on retirement. Under previous legislation (1907) a provident fund was established for the employees of the Intercolonial and Prince Edward Island Railway and in the same year an act of Parliament authorized the directors of the Grand Trunk Railway to provide for the payment of pensions to employees of that carrier. In 1929, in order to place all employees of the Canadian National Railways system on the same basis as regards pensions, an act was passed amending the Grand Trunk act of 1906–7 with respect to pensions, making it the Canadian National Railways pension act, and authorizing the company to establish a "Canadian National Railways pension fund" for the payment of allowances to employees after leaving the service. The act also provides that all rules and regulations for this fund may be made applicable to officers and employees of any company or corporation which is or may be owned or controlled by the Dominion of Canada, upon the request of the directors of such company. Railway or undertaking in this clause includes "the lines of railway undertakings, steamship, telegraphs, properties and works which any such company or corporation has authority to construct, maintain or operate."

Contributions

Under the plan the employees contribute 3 per cent of their wages for the first month and 1½ per cent thereafter.

The Dominion Government contributes an equal amount, up to $100,000 per year.

Benefits

Annuities are payable at the rate of 1 per cent for each year of service, calculated on the highest average wage received during any 10 consecutive years of service. Such pensions are granted to—

1. Employees retiring at 65 years of age or over who have had 15 or more years of service.
2. Employees between 60 and 65 years of age, having had 20 or more years of service, who are permanently disabled physically or mentally.
3. Employees who, after 10 or more years of service, are incapacitated for service by injuries received in course of employment, pension to continue only while incapacity lasts.
4. Employees 50 years of age and upwards, with 15 years of service, who are discharged for reasons other than misconduct.

Except in cases of joint employment, the minimum rate of benefit is $25 per month.

While, as explained in the rules and regulations of the system, " it is the intention that all employees shall be retired from the company's service on reaching the age of 65 years," an employee may be retained in service after that age, provided the head of the department in which he is employed recommends it and the pension committee agrees.

Administration

The plan is administered by a pension committee consisting of nine members, seven of whom are officers of the Canadian National Railway Co. (i. e., those in charge, respectively, of pensions, legal affairs, maintenance and operation, traffic, finance and purchases and stores, and the chief medical officer), and the other two members are elected by the railroad labor organizations.

This committee makes and enforces the regulations for the operation of the plan, determines the eligibility of applicants, fixes the amount of the benefits, and prescribes the conditions under which benefits are granted.

Voluntary Insurance—Government Annuities

Chapter 7 of the Revised Statutes of Canada, 1927, based upon an act of 1908 and amendments thereto, authorizes the issuing of Government annuities for old age. The cost of administration is borne by the Dominion Government and no charge is made on this account against the annuitant. The annuities purchasable on the life of one person or two persons jointly are from $10 to $5,000 per annum, payable in quarterly or monthly installments for life or for a specified number of years provided the annuitant lives that long. Annuities may be purchased by persons for themselves, by employers for employees, or associations for members thereof. They are of two classes, deferred and immediate, the first of which may be purchased by the payment of annual, semiannual, quarterly, monthly, or weekly premium deposits, or by the payment of a lump sum, while the latter may be purchased only by the payment of a lump sum, the annuity to commence three months or one month from the date of the payment.

The 1929–30 report of the Government Annuities Branch of the Canadian Department of Labor states that the interest of the Canadian people in this form of insurance appears to be steadily increasing. On March 31, 1930, there were 10,183 contracts in force, and the value of annuities purchased was $20,720,895. The amount of premium received during the year ending on that date was $3,156,475.

SOURCES FOR CANADA: Dominion old-age pensions act (ch. 156, R. S. C., 1927); Old-age pensions regulations, as of Dec. 31, 1928; Department of Labor, Report of the administration of old-age pensions in Canada for fiscal year ending Mar. 31, 1931; Canadian National Railways, pension department, Rules and regulations effective Aug. 1, 1929; Government old-age annuities act (ch. 7, R. S. C., 1927); Department of Labor, Government Annuities Branch, Twenty-second report, for fiscal year ending Mar. 31, 1930.

Chile

By Thomas D. Bowman, *American Consul General, Santiago*

The old-age pension and insurance law of Chile is divided into two plans, one making provision for laborers or manual workers and the other for so-called "private employees," who are defined as "all persons, irrespective of age or sex, who are engaged in work which is more of an intellectual than physical nature."

The wage earners' system provides insurance against both old-age and ill health, that of the salaried employees old-age insurance only.

Wage Earners' Insurance System

Coverage of System

Chilean Law No. 4054 makes old-age and health insurance compulsory upon all individuals, irrespective of sex, "under 75 years of age who ordinarily have no other income or means of subsistence other than wages or salary paid by an employer," provided that such income does not exceed 8,000 pesos ($974)[18] per annum. Apprentices and artisans, craftsmen, small merchants and peddlers, who work independently, are also included in the provisions of this law. In practical application, therefore, every employee and independent laborer or small merchant coming under the act is required to insure.

Exceptions are provided for on behalf of members of approved mutual-aid societies which provide benefits equal to those under the law. Although this law makes no exceptions in favor of "intellectual" workers, another act providing for this class (discussed on p. 160) provides such exception.

Insured persons whose income increases so as to exceed the limit of 8,000 pesos ($974) may voluntarily continue their insurance under this law until their income exceeds 16,000 pesos ($1,947). In addition, any individual not over 45 years of age, who is not required to carry this insurance but whose income is not over 8,000 pesos per annum, may voluntarily subscribe to the provisions of this law provided he or she can pass a required medical examination.

Contributions

The contributions are payable weekly, by affixing revenue stamps to a book specially provided, in the following proportions: 3 per cent of the weekly wage by the employer and 2 per cent by the employee. For each such contribution the Government obligates itself to pay an additional 1 per cent. The employer is held responsible for the proper payment of these contributions and it is customary for him to

[18] Conversions into United States currency on basis of peso equals 12.17 cents.

affix the stamps for both his share and that of the employee and to deduct the employee's 2 per cent from the latter's wages.

Independent workers must pay 3½ per cent of the average weekly income and the Government makes an equal contribution.

The contribution of apprentices and persons employed on probation is calculated on the lowest wage paid for the kind of work for which employed, but in this case the employer must also pay the insured's portion of the contribution.

Additional sources of income provided for the insurance fund are: Fines assessed for violation of the law itself and for certain other offenses; interest upon the capital funds accumulated; legacies and donations that may be received; and certain special taxes.

Benefits

An insured is entitled to a retirement pension after he reaches the age of 55 years, but he may, by declaration at the time of registration, defer the pension until he reaches the age of 60 or 65 years.

There are two retirement pension options. One provides for ordinary retirement; the other offers a so-called "reserved" provision, paying a larger pension. These pensions are worked out on an actuarial basis, taking into consideration the age, length of insurance, amount of contributions paid, etc.

If the insured dies before reaching the retirement age and is not receiving an invalidity pension, his contributions are paid to his heirs, unless he has chosen the "reserved" option mentioned above.

Any insured who is incapacitated by accident or chronic illness, not attributable to his own negligence or fault and not indemnified under the liability laws, is entitled to an invalidity pension as follows: Full rate of pay if he has been insured 10 years or more; 75 per cent if he has been insured for 5 years or more; and 50 per cent if he has been insured less than 5 years.

The insured under this law are entitled to free medical service and medicines, including hospitalization up to 26 weeks. If the insured has a family living with and dependent upon him (or her) for support he is entitled to receive, during the period of illness, the following subsidy in cash: The full amount of his salary, wages, or income of the week prior to the illness for the first week; one-half of this amount for the second week, and one-fourth for succeeding weeks. Government employees, however, are paid only 25 per cent of their wages from the beginning. If the insured has no dependents he is entitled to receive only one-half of the respective amounts as stated above.

A pregnant woman is entitled to receive one-half her wages for two weeks prior to and two weeks subsequent to the birth of the child, and 25 per cent thereafter until the child is weaned, but in no case to exceed eight months.

The sum of 300 pesos ($36.51) is paid for funeral expenses of any insured who dies.

Administration

There is a central administrative organization called the Fund for Compulsory Insurance (*Caja de Seguros Obligatorios*), and various local boards. The central organization is under Government control; the local boards are composed of 9 persons—3 chosen by the insured, 3 by employers, and 3 appointed by the President of the Republic.

Statistics of Operation

According to figures furnished by the general administration, the total number of insured on May 8, 1931, was 1,203,500. There are now 443 old-age pensioners who have been paid, up to the present time, a total of 88,667 pesos ($10,791). The total number of individuals receiving invalidity pensions is 220, and the average amount of these pensions is 100.79 pesos ($12.27) per person per month. A total of 79,318,143.26 pesos ($9,653,018) has been expended since June 1, 1928, for sick benefits.

The following table shows the receipts and expenditures of the fund in 1929 and 1930.

TABLE 16.—*Receipts and expenditures of Chilean wage earners' old-age insurance fund, 1929 and 1930*

[Conversions into United States currency on basis of peso=12.17 cents]

Item	1929		1930	
	Chilean currency	United States currency	Chilean currency	United States currency
	Pesos		*Pesos*	
Gross receipts	96, 271, 958. 08	$11, 716, 297	371, 230, 227. 53	$45, 178, 719
Expenditures:				
Administration	6, 334, 817. 51	770, 947	7, 548, 475. 86	918, 650
Pensions	51, 696. 88	6, 292	76, 545. 76	9, 316
Health benefits	33, 947, 244. 52	4, 131, 380	32, 906, 002. 34	4, 004, 660
Total	40, 333, 758. 92	4, 908, 618	40, 531, 023. 96	4, 932, 626
Balance	55, 938, 199. 16	6, 807, 679	330, 699, 203. 57	40, 246, 093

Salaried Employees' Insurance System

Coverage of System

The law of April 14, 1925, provides compulsory old-age insurance for " all persons, irrespective of age or sex, who are engaged in work which is more of an intellectual than physical nature." This covers practically all nonmanual workers, such as clerks, bookkeepers, and similar office workers, as well as technical men, and applies to salaried employees who are 18 years of age and not over 50 years of age; and who earn 3,000 pesos ($365) per annum or more.

Contributions

The system of contributions is simple. The employer withholds from the salary of the employee the latter's share of the contribution, adds to it his own proportion, and accounts therefor to the appropriate authorities.

The contribution required of the employer is 5 per cent of the employee's monthly salary.

The employee, in addition to 5 per cent of his monthly salary, must pay one-half of his first month's salary, the total amount of the first month's increase in salary in case of promotion, and 25 per cent of any bonus that may be granted. In addition, every employee within the age limits of 18 to 50 years, whose salary is 4,800 pesos ($584) or more must carry life insurance to the amount of 5,000 pesos ($609).

The Government makes no contribution.

Benefits

Upon attaining the age of 50 years, or after 30 years of service, the insured are entitled to recover the amount of the contributions with interest at 5 per cent, worked out on an actuarial basis.

Another provision of the law is that whereby an employee may borrow up to 50 per cent of the amount to his credit for certain purposes, such as for building a house. In such cases the money must be secured by mortgage and must be repaid. By a recent special decree, designed as an emergency measure to relieve unemployment, and valid only for one year, an employee may, if he is unemployed, borrow up to the full amount of the contribution. This includes the 5 per cent paid by the employer which is credited to the employee's account.

In case of death all or any part of the employee's unconsumed balance due him goes to his heirs.

There is no health benefit under this system, the benefit being confined to old-age pension.

Administration

The contributions are paid into the Savings Bank (*Caja de Ahorros*), a Government institution which guarantees the interest thereon. But the administration and enforcement of the law is intrusted to a special Government commission known as the Welfare Board for Private Employees.

Statistics of Operation

According to information furnished by the administrative board under date of April 22, 1931, a total of 80,220 persons had been insured under this law on October 31, 1930. No payments of benefits are reported, as the minimum period of five years has barely elapsed.

The administrative expenses for the 6-month period, May 1 to October 31, 1930, were stated to have been 1,203,747.98 pesos ($145,496).

SOURCES FOR CHILE: Ley de Seguro Obligatorio de Enfermedad e Invalidez (No. 4054, Jan. 22, 1926); Caja de Seguro Obligatorio, Quinta Memoria, correspondiente al año 1929; and Actión Social, November and December, 1930, and January, 1931.

Cuba

By William B. Murray, *American Vice Consul, Havana*

There is no general old-age pension or insurance system in Cuba. Special provision of this character, however, is made by legislation for two classes of employees in private industry, namely, railway employees and maritime employees.

A bill has been introduced in the Cuban Congress which, if sanctioned, will oblige all industries in Cuba employing more than 200 workmen to have a retirement fund. The fund would be supervised by two delegates, one representing the workmen and the other the employer. It would be apportioned by the National Industrial Association of Cuba, under the supervision of a person appointed from the executive body.

Railroad and Street-Railway Employees' Insurance System

Retirement benefits for railroad employees were provided in the law of November 24, 1921, which was superseded by the law of October 9, 1923. This latter law, which became effective July 14, 1924, was amended on December 2, 1924, and, as amended, applied to railroad and street-railway wage earners and employees. Again, on October 4, 1929, a new law was enacted which supplemented all previous legislation and nullified provisions in conflict with its terms.

Coverage of System

The law covers employees and workmen of public railroads, street railways, land transportation companies, employees and workmen engaged by public or private organizations handling express or devoted to the transportation of freight and baggage in connection with public-service companies, and all employees and workmen of any organization rendering service to the public-service companies mentioned.

Contributions

Wage earners and employees contribute 3 per cent of their wages or salaries, a sum equal to the first month's salary or wages payable in 36 consecutive monthly payments, and also the increment in the first month's salary when the employee is promoted to a higher position or receives an increase of wages, provided the promotion lasts for three months. The railway companies contribute 2 per cent of the total amount of salaries and wages (this may be reduced to 1½ per cent). Other sources of income are: Sales of articles abandoned on the railways and not claimed within one year, fines, interest, donations, legacies, the obligatory deduction of 10 per cent on retirement annuities and pensions paid, unclaimed wages, the 20 per cent reduction of retirement allowances of persons living in a foreign country, etc.

Benefits

In the case of regular retirement the benefit is calculated on the average monthly pay during the highest-paid year. On an average monthly pay of $100 [19] or less the benefit is 65 per cent; on a monthly average greater than $100, the rate of benefit is 65 per cent of the first $100, and 60 per cent of the remainder.

Regular retirement annuity may be granted for 25 years' service at the age of 55 years, for 30 years' service at the age of 50 years, or for 35 years' service at any age, and also for disability incurred in the line of service. The maximum benefit is $200 per month.

A worker may retire voluntarily at the age of 60 years after having served for at least 10 years but not long enough to become eligible for the regular benefit. The benefit in case of voluntary retirement is based on the number of years of service and amounts to 2 per cent of the annual remuneration for each year of service.

Compensation after retirement begins from the day on which the interested party no longer receives salary or wages from the company. The retirement pay is calculated and paid after a lapse of 90 days from the date of application for pension.

Administration

Administration is in the charge of a directorate, elected for four years, consisting of a chairman, 2 representatives of the employers, 2 representatives of the employees (1 in active service and 1 retired), and a delegate appointed by the President of Cuba.

Statistics of Operation

The law at present protects about 45,000 persons, and 3,000 persons are receiving benefits. The total railway retirement fund at present is approximately $2,000,000.

During the fiscal year ended June 30, 1931, the commission expended a total of $1,256,974.87 in pensions, of which $1,007,518.46 was paid to workers, $245,749.72 was paid to families of workers, and $3,706.69 was paid as return of deposits made by workers.

At the end of June the commission made the following statement, showing the amount expended monthly for different kinds of pensions:

TABLE 17.—*Average number of beneficiaries and average amounts paid per month under railroad and street-railway employees' insurance system as of June, 1931*

Type of benefit	Paid to workers		Paid to workers' families	
	Number	Amount	Number	Amount
Ordinary retirement	1,236	$40,125.96	239	$5,970.38
Voluntary retirement	195	3,185.13	72	1,255.93
Partial disability	120	1,637.45		
Total disability	430	10,066.78	437	8,156.85
Suspensions by reduction of personnel	588	12,779.89	12	225.04
Paid to discharged workers			13	240.42
Paid for other separations			14	179.34
Total	2,569	67,795.21	787	16,027.96

[19] Cuban peso equals $1.

On account of reductions in personnel, there was a tendency toward an increase in the number of pensioners separated from service by reason of economies in administration; otherwise Table 17 is representative, showing that approximately 24 per cent was paid for total or partial disability.

Maritime Workers' Insurance System

Insurance and pensions for maritime workers was provided by a law of July 4, 1927, modified by the law of June 14, 1929. New regulations for execution of the law were published in Presidential Decree No. 1134 of July 17, 1929.

Coverage of System

The law provides compulsory insurance for wage earners and employees engaged in the maritime shipping industry.

Contributions

Each worker contributes 3 per cent of his wages or salary up to $500 per month (if the salary exceeds $500 per month, he may also be required to contribute, at the same rate, on the amount over $500, if such contribution is deemed necessary), and his first month's salary or 2 per cent of the daily pay until the sum of $75 is reached. The contributions by the workers may be later increased, up to 5 per cent.

The employer contributes 1½ per cent of the total wages and salaries, this percentage fluctuating with the contributions by wage earners and employees; and in case of salvage, 1 per cent of the share of the crews of the ships and 3 per cent of the share of the companies.

Other sources of funds are fines, interest, and profits on the benefit fund, grants, legacies, and donations.

Benefits

Calculations for retirement are made in accordance with the average of salaries and wages received during the two years of service prior to the date of presentation of request for pension by the applicant. Benefits are 75 per cent of the wage or salary up to $100 per month, or 65 per cent of the wage or salary from $100 to $200. For those receiving from $200 to $500, compensation is calculated as follows: The first $100 at 65 per cent, the second $100 at 60 per cent, and any remainder between $200 and $500 at 55 per cent, the result of the three percentages being the total retirement pay. The maximum annuity payable under the act is $150 per month.

Benefits are payable after 20 years' service at the age of 50 years or after 25 years' service at any age.

An employee who is 50 years of age and has rendered 10 years' service or more but not sufficient service for the regular annuity may voluntarily retire, in which case he receives benefits equal to 3 per cent of the ordinary pension for each year of service.

In case of the death of an annuitant, his dependents, if they are in want, may continue to receive the benefit, one-half being paid to the widow and one-half to the children and parents; if there are no children, parents, or sisters, the widow is to receive the entire pension.

Administration

The system is administered by a board composed of two members elected by the maritime employers, one elected by the manual workers and journeymen, and another by the officials and office employees of shipping companies.

Under article 3 of the regulations of June 14, 1929, the chairman is appointed by the President of Cuba.

Statistics of Operation

Employees of shipping companies, shipping agencies, shipyards and shops, and other classes of maritime organizations are covered. In the last official census of Cuba there were 147,854 workers in the transportation industry, and it is estimated that at least one-third were engaged in maritime employment. Allowing for the increase of population since the census, it is estimated that the pension law covers about 50,000 workers.

Up to December 31, 1929, there were 9,877 claims for benefit, 877 of which had been decided. The total expenditure for benefits of all kinds by the Maritime Commission amounted to $31,300.91 from December 1, 1929, to November 30, 1930, of which $20,798.51 was paid for disability. The total amount expended for pensions during this period was $22,834.54.

SOURCES FOR CUBA: Presidential decree 1134 (July 17, 1929), regulations for the maritime retirement law; and railway retirement law (Oct. 4, 1929).

Czechoslovakia

By John W. Bailey, Jr., *American Consul, Prague*

Old-age insurance in effect in Czechoslovakia at the present time is of two types, covered by two different sets of laws and regulations. The first old-age insurance put into effect in the present territory of Czechoslovakia was for salaried employees and was provided for in the Austro-Hungarian law of December 16, 1906, put into effect in 1909. This law remained in effect, with some changes made in 1918 and 1920, until 1929, when it was replaced by the Czechoslovak law of February 21, 1929. Insurance for manual workers was first provided by Czechoslovak law of October 9, 1924, which went into effect on July 1, 1926, covering sickness, invalidity, and old age. This law was supplemented and completed by the law of November 8, 1928, and the law as revised was published November 17, 1928. In addition to the old-age and disability insurance now in effect for these two classes, the law of June 10, 1925, provides for sickness, disability, and old-age insurance for all persons engaged in independent trades, professions, and agriculture. However, the administrative details and regulations of this law have not yet been worked out and insurance for these classes is not now in effect.

Inasmuch as the Czechoslovak insurance laws cover both old age and disability, many applications of the law refer to both contingencies, and consequently the following summary includes information on disability insurance where this can not easily be separated from the old-age insurance.

Salaried Employees' Insurance System

Coverage of System

The law of February 21, 1929, provides for compulsory insurance against old age and disability for salaried employees, and applies to the following classes of employees: Employees engaged in the preparation of documents, such as office workers, clerks, and secretaries; technical employees; employees in trade administration; commercial clerks and travelers; persons employed by editorial and administrative departments of newspapers and periodicals; employees in theaters and amusement houses; overseers, foremen, and other persons engaged in supervision; educational employees. It applies to all employees over 16 years of age in the above and kindred lines, irrespective of sex, nationality, or income.

The exemptions under this law are as follows: (1) Employees who have not attained 16 years of age; (2) persons in subordinate or secondary employment, working for wages only; (3) students attending higher schools and universities who are also employed in any of the above-mentioned lines; (4) State employees and employees of religious organizations (provided they have recourse to some pension which will equal the benefits provided by this act); (5) employees of the national bank and employees of foreign companies, in so far as they have no office in Czechoslovakia; (6) employees of foreign representative offices in Czechoslovakia and persons enjoying extraterritoriality, in so far as they are citizens of foreign countries; and (7) persons receiving old-age benefits.

Contributions

The insured are placed in 11 classifications, depending upon the amount of salary received annually. Persons receiving no salary, such as apprentices and learners, are placed in class No. 1. The 11 classes, with the salary ranges and contributions paid, are given in the table following.

Table 18.—*Salary classes and monthly contributions under Czechoslovak salaried employees' insurance system*

[Conversions into United States currency on basis of crown=2.96 cents]

Salary class	Yearly salary		Monthly contributions	
	Czechoslovak currency	United States currency	Czechoslovak currency	United States currency
	Crowns		*Crowns*	
Class 1	Up to 3,000	Up to $88.80	12	$0.36
Class 2	3,000- 6,000	$88.80- 177.60	36	1.07
Class 3	6,000- 9,000	177.60- 266.40	66	1.95
Class 4	9,000-12,000	266.40- 355.20	96	2.84
Class 5	12,000-15,000	355.20- 444.00	120	3.55
Class 6	15,000-18,000	444.00- 532.80	150	4.44
Class 7	18,000-24,000	532.80- 710.40	170	5.03
Class 8	24,000-30,000	710.40- 888.00	190	5.62
Class 9	30,000-36,000	888.00-1,065.60	210	6.22
Class 10	36,000-42,000	1,065.60-1,243.20	230	6.81
Class 11	Over 42,000	Over 1,243.20	250	7.40

All new employees in the classes mentioned above must be reported by the employer within 14 days after their engagement. In the same way, salary changes or separations must be reported within 14 days. Every employer must keep on file the salary receipts for the preceding three years, or some other record which will enable inspectors to verify the annual salary of the employees.

The employer and the employee each pay half of the contributions. The contributions must be paid during the entire period of the working contract. All contributions must be paid at the end of the month, and 5 per cent interest is charged for delayed payments. No statement of account is sent by the insurance organization, as the employers are required to send each month the contributions arising from the original contract with the employees. The employers guarantee the payment of all contributions.

Benefits

Benefits become payable only after a "qualifying period" of 60 months during which contributions have been paid.

Benefits become payable upon permanent or continued disability of the insured, making it impossible for him to carry on his profession, provided the disability was not incurred voluntarily. Old-age benefits are paid when the insured, if a man, reaches the age of 65 or if a woman, reaches the age of 60. If the insured, because of disability, is not employed or engaged in any occupation under the compulsory insurance act, or if he has completed 480 months' contributions, the benefits begin, in the case of a man, at the age of 60, and in the case of a woman, at the age of 55. The disability and old-age benefits are as follows: A basic annual payment of 3,600 crowns ($106.56) per year, plus an annual payment of the amount indicated below for each class and for each month of contribution made. For example, a person in class 2 who has contributed for 400 months would receive an annual benefit of 3,600 crowns plus 400 times 6, or a total of 6,000 crowns ($177.60).

TABLE 19.—*Supplementary benefit in each salary class under Czechoslovak salaried employees' insurance system*

[Conversions into United States currency on basis of crown=2.96 cents]

Salary class	Amount per contribution month		Salary class	Amount per contribution month	
	Czechoslovak currency	United States currency		Czechoslovak currency	United States currency
	Crowns			*Crowns*	
Class 1	2	$0.06	Class 7	30	$0.89
Class 2	6	.18	Class 8	35	1.04
Class 3	10	.30	Class 9	40	1.18
Class 4	15	.44	Class 10	45	1.33
Class 5	20	.59	Class 11	50	1.48
Class 6	25	.74			

An educational benefit of one-eighth of the benefit accruing under the above is given to the insured for each child under 18 years of age.

The widow's and widower's benefit is the amount of one-half of the benefit of the deceased, but the benefit must not be less than 3,000 crowns ($88.80) per year. Furthermore, if the widow or widower is completely incapacitated—unable to live without outside assistance and care—the benefit is increased by one-half of the amount to which she or he is entitled under the above. The benefit to the widow or widower ceases upon remarriage, with the payment of three times the annual amount which he or she was receiving at the time of marriage.

Orphans under the age of 18, or under 24 in case they are students or infirm, receive one-half of the benefit due to the deceased if full orphans, or one-fourth if half orphans. If both parents were insured, the orphan receives one-half of the higher benefit. In no case can the income of a half orphan be less than 1,500 crowns ($44.40) per year, and of a full orphan less than 3,000 crowns ($88.80) per year, and in no case can the total benefits amount to more than the full benefit of the deceased. In cases in which the widow and orphans would be entitled to a larger amount than the full benefit of the deceased, the benefits of the orphans are reduced proportionately.

Any insured woman who has completed 60 contributing months receives on her marriage a dowry, equal to the yearly amount to which at the time of her marriage she would have been entitled in case of disability. Funeral benefits amount to one-fifth of the yearly benefit that the insured received or upon which he had claim, but not more than 4,000 crowns ($118.40). If the insured dies before the expiration of the 60 contribution months but has contributed for at least 6 contribution months, his heirs are entitled to a lump sum of 150 per cent of the yearly disability benefit accruing to his class. In case the insured has been receiving disability or old-age benefits and leaves no widow or widower or children, then the parents of the deceased have the right to the income, provided they can show that they were dependent upon the deceased.

Administration

The insurance covered by this law is carried by the General Social Insurance Institute, with several subordinate organizations, and by a few smaller similar organizations, all under the control of the Ministry of Social Welfare. Governing bodies for the administration of the act are composed of members of the General Social Insurance Institute, which includes insured and employers.

The governing bodies consist of a board of directors and a board of auditors, each composed of representatives of the employers, representatives of the employees, and Government social insurance experts. These bodies have distinct duties which are limited by law.

The committee is composed of a president and 3 vice presidents, who are appointed by the President of the Republic, and 34 members, of whom 14 are elected by the employers and 14 by the employees, with 6 appointed by the State. They are appointed for 6 years. The board of directors is made up of a president and 3 vice presidents and 10 members, 4 elected by the employers, 4 by the employees, and 2 social insurance experts appointed by the State. The board of auditors is composed of 3 members, 1 of whom is appointed by the State. The positions on these governing bodies are honorary, and payment is given only for specific or special services.

The managing directorate is composed of 17 members—a president and 2 vice presidents appointed by the Ministry of Social Welfare, 7 members elected by the employers, and 7 members elected by the employees. The administrative commission is composed of 4 members, 2 elected by the employers and 2 appointed by the State. The auditing and benefits commissions are composed of 2 members each, 1 of whom is an employer. All of these bodies have limited duties prescribed by law, and the members are elected for a period of 6 years by secret ballot from lists of candidates.

Statistics of Operation

Number of persons insured.—According to the official statistics of the General Insurance Institute, 309,148 persons were insured in some way under the provisions of the law for insurance of salaried employees on July 1, 1930. Of this number, 302,469 were compulsorily and regularly insured; 2,339 were voluntarily and regularly insured; and 4,340 were persons whose employment status had changed so that they were no longer required to be insured, but who had elected to keep alive the insurance paid, up to the change in status, by the payment of a fee of 25 crowns (74 cents) per year. In addition to this number, 40 private companies operating under the provisions of the law carry insurance for 50,226 salaried employees. The Government through the General Insurance Institute is gradually taking over this insurance and expects to carry all the insurance for this class within 15 years.

Number receiving benefits and amount of benefit per person.—On July 1, 1930, benefits of all kinds were being paid to 31,922 persons under the provisions of this law by the General Insurance Institute. (Benefits accruing under the insurance carried by the private companies mentioned above are not included.) The following table shows the various classes of benefits being paid and the number of persons in each class.

Class of benefit:	Number of persons
Disability benefit	9,365
Old-age benefit	4,949
Widows' benefit	9,563
Orphans' benefit	4,934
Educational additions	3,047
Widowers' benefit	2
Parents' benefit	62
Total	31,922

A detailed balance sheet showing the distribution of the various classes of benefits paid out during 1929 is not yet available, and consequently it is not possible to calculate the benefits per person in each of the classes of benefits. The balance sheet showing the financial operations during 1928 was not published in a consolidated form. A separate balance sheet was made for compulsory and voluntary insurance, and adjustments made necessary by amendments to the law, particularly addition of 300 per cent to the basic benefit to compensate for the high cost of living, were not included in the balance sheet, these payments having been made from reserve assets. Below are given all payments in the form of benefits, whether annual benefits or lump-sum payments of various types.

TABLE 20.—*Payments for benefits under Czechoslovak salaried employees' insurance system, 1928*

[Conversions into United States currency on basis of crown=2.96 cents]

Type of payment	Amount disbursed	
	Czechoslovak currency	United States currency
	Crowns	
Disability benefits	9,897,421	$292,964
Old-age benefits	1,746,098	51,685
Additional benefits	207,482	6,141
Educational benefits	432,266	12,795

TABLE 20.—*Payments for benefits under Czechoslovak salaried employees' insurance system, 1928*—Continued

Type of payment	Amount disbursed	
	Czechoslovak currency	United States currency
	Crowns	
Widows' benefits	3,759,150	$111,271
Orphans' benefits	1,291,995	38,243
Total, annual benefits	17,334,412	513,099
Additional annual benefit payments for high cost of living	52,477,324	1,553,329
Grand total, annual benefits	69,811,736	2,066,427
Other payments—lump-sum or treated as such:		
Lump-sum indemnification for uncompleted qualifying period	1,021,478	30,236
Funeral expenses	542,721	16,065
Amounts paid upon surrender of insurance after completion of qualifying period—		
Returned contributions and surrender value (principally dowries)	18,216,654	539,213
Transferred contributions [1]	17,992,821	532,588
Total, lump-sum payments	37,773,674	1,118,101

[1] Cases in which the insurance contract is canceled, but the insured, by the payment of a nominal fee, continues the insurance at its value at the time of cancellation.

During 1928, the total number receiving benefits in the form of annual payments was reported to be 23,410, from which must be subtracted 99 persons with Government-guaranteed payments who were transferred to the Austrian insurance company as a result of the division after the war, leaving 23,311. By dividing this number into the total amount of annual benefits paid, i. e., 69,811,736 crowns ($2,066,427), the figure of 2,995 crowns ($88.65) is obtained as the average annual benefit paid to each person. Reference to the foregoing distribution of annual benefits paid will show that these payments are of six classes and made to four different types of beneficiaries (the small additional benefits and the educational benefits being made to these four classes). Consequently, the average benefit received per person for each class will differ greatly from this figure; old-age benefits will be greatly in excess and, to a smaller degree, disability benefits and benefits to widows and orphans will be correspondingly reduced.

Receipts and expenditures.—The following balance sheet of the General Insurance Institute gives a distribution of the receipts and expenditures for the operation of the insurance under this law for the calendar year 1928. This balance sheet is a combination of two, one for compulsory and one for voluntary insurance, and does not include the additional benefits provided by an amendment to the law enacted during the year.

TABLE 21.—*Balance sheet of Czechoslovak salaried employees' insurance fund for 1928*

[Conversions into United States currency on basis of crown=2.96 cents]

Item	Czechoslovak currency	United States currency
Receipts	*Crowns*	
Balance from last year	1,491,740,605	$44,155,522
Contributions	252,890,770	7,485,567
Transferred shares of contribution reserves	26,653,949	788,957
Reimbursing capital	298,793	8,844
Profits from invested capital:		
Interest from bank deposits	8,149,680	241,231
Interest from securities	74,975,833	2,219,285
Interest from loans	44,093,776	1,305,176
Interest from debtors	415,061	12,286
Interest from charges for delay	6,549,700	193,871
Other interest	599,068	17,732
Net profit from real estate	879,710	26,039
Total	135,662,829	4,015,620
Increment on sales of securities	504,956	14,947
Other income	3,180,826	94,152
Grand total	1,910,932,728	56,563,609
Expenditures		
Disability benefits	9,897,421	292,964
Old-age benefits	1,746,098	51,685
Additional benefits	207,482	6,141
Educational benefits	432,265	12,795
Widows' benefits	3,759,150	111,271
Educational contributions	1,291,995	38,243
Funeral expenses	542,721	16,065
Lump-sum indemnification	1,021,478	30,236
Total	18,898,611	559,399
Amounts paid upon surrender of insurance:		
Returned contributions and surrender value	18,216,654	539,213
Transferred contribution reserves	17,992,821	532,587
Total	36,209,475	1,071,800
Administrative expenses	21,241,923	628,761
Interest	5,882,929	174,135
Depreciation	3,083,758	91,279
Other expenses	19,157,160	567,052
Balance	1,806,458,872	53,471,183
Grand total	1,910,932,728	56,563,609

Cost of administration.—The cost of administration for 1928 was 21,241,923 crowns ($628,761). On the basis of the total number of persons insured, including voluntary and surrendered insurance, the per capita rate is 68.70 crowns ($2.03). On the basis of the total number of persons receiving annual benefits (not including persons receiving lump-sum payments or surrendering their insurance), the per capita rate is 911 crowns ($26.97). The cost of administration, as stated in the balance sheet, is equal to 8.4 per cent of the value of the total annual contributions and 23.7 per cent of the total benefits and lump-sum payments made during the year.

Manual Workers' Insurance System

Coverage of System

This law provides for compulsory insurance against sickness, old age, and disability for all persons in Czechoslovakia performing work or rendering services on the basis of a contract for work or service or apprenticeship. The basic condition for putting compulsory insurance into operation is that there must be an agreement by one party to perform work or services for another. The insurance is compulsory for these classes, and every employer is required by law to apply for insurance for every employee coming within the scope of the law. The insurance does not become effective for any person until an application has been made. If the employer does not apply for insurance for an employee, the employee can make application himself. An employer is defined as any person, legal or physical, on whose account work is done, regardless of whether the work is economically beneficial. Children of an employer working in the same business as their parent are exempt from the insurance unless an apprenticeship agreement exists. The exemptions mentioned in the law are: Government employees; employees of foreign States and countries who are foreigners; persons covered by mining insurance. These exemptions are valid only in so far as the persons exempted have recourse to one year's wages in case of sickness or disability or are otherwise insured so that they will receive payments equal to those contemplated by this law. Other exemptions are persons working for wages in a secondary or subordinate employment, persons over 60 years of age, persons coming under insurance for salaried employees, and persons receiving old-age or disability benefits.

Contributions

For the purpose of assessing contributions for compulsory insurance under this act, wage earners are divided into five classes, according to the daily, weekly, or monthly wages received (weekly wages are figured on the basis of 6 working days and monthly wages on the basis of 25 working days). Under the term "wages" is considered all the income received for contract work. Wages for piecework are figured on the average earnings for a number of weeks or upon the basis of daily income received for similar work by another worker in the same branch. The following are the five classes into which wage earners are divided, with the daily, weekly, and monthly wages for each class, and the amount of the weekly contributions.

TABLE 22.—*Wage classes and weekly contributions under Czechoslovak manual workers' insurance system*

[Conversions into United States currency on basis of crown=2.96 cents]

Wage class	Daily wages		Weekly wages		Monthly wages		Weekly contributions	
	Czechoslovak currency	United States currency	Czechoslovak currency	United States currency	Czechoslovak currency	United States currency	Czechoslovak currency	United States currency
	Crowns		*Crowns*		*Crowns*		*Crowns*	*Cents*
Class Aa	Up to 10	Up to $0.30	Up to 60	Up to $1.78	Up to 250	Up to $7.40	2.60	7.7
Class Ab	10–14	$0.30–.41	60–84	$1.78–2.49	250–350	$7.40–10.36	3.60	10.6
Class B	14–22	.41–.65	84–132	2.49–3.91	350–550	10.36–16.28	5.10	15.1
Class C	22–28½	.65–.84	132–171	3.91–5.06	550–712½	16.28–21.09	6.60	19.5
Class D	28½–34½	.84–1.02	171–207	5.06–6.13	712½–862½	21.09–25.53	8.40	24.9

The law provides for higher rates when wages are higher than 34.5 crowns ($1.02) per day, to be figured out on an unchangeable basis and to amount to 4.3 to 4.8 per cent of the average daily wage. However, the rates for higher wages than 34.5 crowns have not yet been worked out, and consequently wage earners receiving more than the above amount at the present time are placed in class D. Apprentices are placed in class Aa.

The employer is required to report the name of all new employees within six days of their engagement. Likewise he is required to report within six days the separation of a worker from his employ; otherwise he will be held liable for all weekly contributions during the time elapsing between the separation of the employee from his service up to the date of the report. If the employer fails to report within six days the engagement of an employee, he is liable to a fine of 5,000 crowns ($148), or if unable or unwilling to pay the fine, to imprisonment up to one month. The insurance bureau can collect from the employer insurance up to 10 years for any employee who has not been reported; that is, the employer is liable for the payment of his employees' back insurance for 10 years, with an additional charge of 5 per cent interest.

Contributions are paid one-half by the employee and one-half by the employer. The employer must pay the entire contribution to the insurance bureau, but has the right to deduct one-half of this amount from the employee's wages. All contributions must be paid by the employer within 14 days after the date due. In case of delay, 5 per cent interest is charged.

Benefits

A "qualifying period" of 100 contribution weeks is required before payment of benefits begins.

Old-age and disability benefits.—The basic benefit to the insured under this law is 550 crowns ($16.28) a year. To this amount is added an annual sum depending upon the wage class of the insured and upon the number of weeks of paid-in contributions. These additional benefits are as follows:

TABLE 23.—*Supplementary benefit in each wage class under Czechoslovak manual workers' insurance system*

[Conversions into United States currency on basis of crown=2.96 cents]

Wage class	Benefit per week of contribution	
	Czechoslovak currency	United States currency
	Crowns	*Cents*
Class Aa	0.60	1.78
Class Ab	.85	2.52
Class B	1.15	3.40
Class C	1.40	4.14
Class D	1.75	5.18

In addition to these payments, the State makes an annual contribution of 500 crowns ($14.80) for old age or disability. If the insured has children, he is given an additional amount equal to one-tenth of the benefit, not including the State contribution.

Disability benefits become due upon the day that disability begins, and old-age pensions upon reaching the age of 65, provided that the insured does not continue to work in any branch that comes under the compulsory insurance provision of this law.

Survivors' benefits.—Widows' or widowers' benefits, provided the widow or widower is disabled for work, has reached the age of 65, or is supporting two or more children eligible to receive orphans' benefits, amount to a life benefit equal to one-half of the benefit of the deceased. If a widow or widower is able-bodied, under 65 years of age, and has fewer than two children, a lump-sum payment of one year's benefit is made. Orphans' benefits are given to children up to 17 years of age and amount to two-fifths of the benefit of the deceased for a full orphan and one-fifth for a half orphan.

The total amount of all orphans' benefits may not exceed the benefit which the deceased received or to which he was entitled, together with the bonuses. If it exceeds this sum, the individual orphans' benefits shall be proportionately reduced.

In addition to these payments, the State makes an annual contribution of 250 crowns ($7.40) to widows and widowers, 100 crowns ($2.96) to half orphans, and 200 crowns ($5.92) to full orphans.

Dowry benefits are paid to a woman who has completed the qualifying period and has filed application for the dowry payment within two years after her marriage. She receives a basic payment of from 400 to 600 crowns ($11.84 to $17.76), depending upon the class in which insured, and in proportion to the amount to which she would have been entitled in case of disability at the time of her marriage, plus a State contribution of 250 crowns ($7.40). She can, at the same time, retain her insurance by paying 10 crowns (30 cents) a month. If the insured dies before the expiration of the 100 contribution weeks, his heirs are entitled to a lump-sum payment, which is determined according to the class in which insured, the amount for class A being 150 crowns ($4.44), and in the succeeding classes is increased by 50 crowns ($1.48) up to class D, where it amounts to 750 crowns ($22.20).

Administration

The General Social Insurance Institute also carries all disability and old-age insurance provided in the law relating to manual workers. It has the right, however, to divide the insurance among other organizations which it is authorized to form. The administrative organization of the General Social Insurance Institute is composed as follows: A president and three vice presidents, appointed by the President of the Republic; a committee of 40 members, 12 of whom are elected by the employers and 12 by members of the association (that is, the insured), and 16 are appointed by the Ministry of Social Welfare, usually social insurance experts; a board of directors composed of a president and 10 members, 3 of whom are elected by the employers, 3 by the members of the association, and 4 experts appointed by the Government.

The powers of the committee are defined in the charter of the social insurance act of 1906 which applied only to salaried employees. The board of directors represents the General Social Insurance Institute in all matters that are not designated by law or reserved thereby to subordinate organizations.

The managing directorate is composed of three members appointed and subject to dismissal by the committee, with the consent of the Ministry of Social Welfare. This directorate decides on all important questions of everyday work, and especially makes suggestions to the board of directors and the committee. The Ministry of Social Welfare carries out the law and supervises the work of the General Social Insurance Institute and all other subordinate organizations.

Statistics of Operation

Number of persons insured.—According to the official statistics of the General Social Insurance Institute, 2,035,959 persons were insured under the provisions of this law on December 31, 1929.

Number receiving benefits and amount of benefit per person.—The following table, compiled from statistics of the General Social Insurance Institute, shows the number of persons receiving benefits, according to the kind of benefit, on December 31, 1929, with the total amount of benefits paid out in each class and the average amount of the benefit to each person in the class during 1929.

TABLE 24.—*Number receiving benefits and total and average benefits paid under Czechoslovak manual workers' insurance system in 1929*

[Conversions into United States currency on basis of crown=2.96 cents]

Kind of benefit	Number receiving benefit	Total benefits paid		Benefit per person	
		Czechoslovak currency	United States currency	Czechoslovak currency	United States currency
		Crowns		*Crowns*	
Disability benefits	604	284,589	$8,424	471	$13.94
Old-age benefits	1	1,359	40	1,359	40.23
Widows' benefits	1,007	253,591	7,505	252	7.46
Orphans' benefits	1,444	315,029	9,325	218	6.45
Total	3,056	854,568	25,295	322	9.53

The small amount of these benefits is explained by the fact that this law has been in effect only since July 1, 1926, and by the resulting restricted time of contributions, upon which part of the benefit depends.

In addition to the above payments classified as benefits—that is, annual payments—lump-sum payments were made during the year which amounted to several times the value of the so-called benefit payments. These lump-sum payments were of two classes and were distributed as follows: During 1929, dowries in the amount of 10,743,200 crowns ($317,999) were paid out to 22,238 insured women upon marriage, or an average of 483 crowns ($14.30) per person. During the same period lump-sum payments for uncompleted qualifying periods—that is, for dropped insurance where the status of the insured was changed so that insurance was no longer compulsory—were made to 5,706 persons in the amount of 4,044,270 crowns ($119,710), or 709 crowns ($20.99) per person.

Receipts and expenditures.—The following balance sheet of the General Social Insurance Institute for December 31, 1929, shows the distribution of the receipts from all sources and the expenditures for all purposes during the year. It will be noted from these figures that the surplus is mounting rapidly. Present payments for benefits are comparatively insignificant, and during the first 3½ years' operation of the law a surplus of 2,366,176,635 crowns ($70,038,828) was accumulated. It is estimated by the insurance organization that in 30 years the surplus will amount to approximately 16,000,000,000 crowns ($473,600,000).

TABLE 25.—*Balance sheet of Czechoslovak manual workers' insurance system for 1929*

[Conversions into United States currency on basis of crown=2.96 cents]

Item	Czechoslovak currency	United States currency
Receipts	*Crowns*	
Balance from last year	1,691,139,895	$50,057,741
Prescribed contributions:		
Compulsory insurance	638,382,679	18,896,127
Voluntary insurance	95,040	2,813
Soldiers' insurance	8,884,803	262,990
Total	647,362,522	19,161,931
Transferable amount received	1,499,863	44,396
Income on assets:		
Interest on bank deposits	18,594,673	550,402
Interest from securities	44,538,186	1,318,330
Interest on collateral	7,516,043	222,475
Interest on State and communal loans	19,955,124	590,672
Interest on mortgage loans	5,574,938	165,018
Interest on indirect loans	4,644,931	137,490
Interest on loans to hospitals	4,645,780	137,515
Other interest	135,812	4,020
Income on nonliquid assets	309,547	9,163
Total	105,915,033	3,135,085
Other receipts:		
State assistance	530,995	15,717
Acknowledgment fees	3,570	106
Manipulation fees for loans	4,018,397	118,945
Indemnities	1,476	44
Security fund for loss through benefit papers	3,778,353	111,839
Total	8,332,792	246,651
Grand total	2,454,250,105	72,645,803
Expenditures		
Benefits:		
Invalidity	284,589	8,424
Old age	1,359	40
Widows and widowers	253,591	7,506
Orphans	315,029	9,325
State assistance	530,995	15,717
Dowries	10,743,200	317,999
Lump-sum payments for uncompleted qualifying period	4,044,270	119,710
Total	16,173,033	478,722
Sickness fund: Individuals	19,008,654	562,656
Transferable amount expended	571,693	16,922

TABLE 25.—*Balance sheet of Czechoslovak manual workers' insurance system for 1929*—Continued

Item	Czechoslovak currency	United States currency
Expenditures—Continued		
Administrative expenditures:	*Crowns*	
Personnel	7,474,375	$221,242
Overhead	3,325,522	98,435
Banking expenses	532,807	15,771
Other expenses (hospitalization and medicine for insured)	30,937,731	915,757
Total	42,270,435	1,251,205
Loss on assets: In securities—		
Government bonds	2,163,063	64,027
Other	1,615,290	47,813
Total	3,778,353	111,839
Depreciation:		
Inventory	568,859	16,838
Nonliquid assets	251,061	7,431
Uncollectible insurance	3,951,381	116,961
Total	4,771,302	141,231
Other expenditures:		
Fund for insurance of employees of General Social Insurance Institute	1,500,000	44,400
Balance	2,366,176,635	70,038,828
Grand total	2,454,250,105	72,645,803

Cost of administration.—Exact administrative expenditures of this insurance are somewhat difficult to figure. From the foregoing financial statement it will be seen that the administrative expenditures for personnel, overhead, and small banking expenses amount to 11,332,704 crowns ($335,448), or 4.915 crowns (14.55 cents) per person based on the total of 2,305,959 insured. Included in the total administrative expenditures for 1929 is an item of 30,937,731 crowns ($915,757), almost three times the personnel, overhead, and banking expenditures, described as "administrative expenses given to the sickness insurance societies for services rendered to the Invalidity and Old Age Pension General Social Insurance Institute." An official of the insurance organization has explained that the administration is adopting a policy of providing for and encouraging all possible treatments for the prevention and removal of disabilities in order to reduce to a minimum the disability benefits. The treatments under this plan are given by the organizations of the sickness insurance societies (sickness insurance is compulsory but is separate and distinct from the old-age and disability insurance and is administered by a different organization), but payment therefor is made to the sickness insurance societies by the General Social Insurance Institute. If this charge is included in the administration expenditures, the total is increased to 42,270,434 crowns ($1,251,205), or 18.33 crowns (54 cents) per person.

The total cost of administration, as stated in the balance sheet, is equal to 6.5 per cent of the value of the total annual contributions. A calculation of the cost of the administration of the insurance on a benefit basis is deemed impracticable on account of the varied character of the benefits and lump-sum payments, and also because such a calculation would be misleading as the law has been in operation for only a short time and benefits are correspondingly unimportant.

State Railway Employees' Insurance System

The type of insurance provided under this system is identical with that provided by the law under which the General Social Insurance Institute operates. The law establishing this system provides that it must pay benefits at least equal to those provided under the general insurance system.

Statistics of Operation

The following statement gives summary data of statistics of operation for 1930:

Number of persons insured	[a] 132,888	
Number receiving benefits	62,773	
Amount received in contributions	100,265,817 crowns	($2,967,868)
Amount paid in benefits	531,414,855 crowns	($14,729,880)
Additional benefit to cover high cost of living	135,256,073 crowns	($4,003,580)

Miners' Insurance System

This system also operates on the same basis as the general insurance scheme.

Statistics of Operation

Summary data showing the operation of the miners' insurance system in 1929 are given below:

Number of persons insured	129,644	
Number receiving benefit	84,760	
Total income	152,144,193 crowns	($4,503,468)
Income from contributions	135,348,336 crowns	($4,006,311)
Total expenditure	168,810,153 crowns	($4,996,781)
Amount paid in benefits	163,230,744 crowns	($4,831,630)

State Employees' Insurance System

The total income from contributions under this system in 1930 amounted to 96,521,000 crowns ($2,857,022), while the total expenditures were 796,912,000 crowns ($23,588,595).

SOURCES FOR CZECHOSLOVAKIA: Sbírka zákonů a nařízení státu československého, No. 221, 1924, No. 184, 1928, and No. 26, 1929; International Labor Office, Legislative Series, 1924, Czechoslovakia 4.

[a] Average, 1929.

Denmark

By E. Gjessing, *American Vice Consul, Copenhagen*

General Pension System

The law of 1891 established a noncontributory old-age pension system for aged poor citizens of Denmark. In 1908 another old-age pension law was passed, which was superseded by the law of August 7, 1922. This law aimed to promote thrift and permitted payment of the maximum old-age pension to persons who had a certain limited private income, amounting to a little over one-half of the maximum pension. This broadening of benefit, however, made the expenses of the State increase so materially that, for economic reasons, the law was superseded by the law of July 1, 1927, which is at present in force. By this law the old-age pension varies with the income, being set at an amount which, when added to the income, will not exceed the maximum pension allowable under the law.

Coverage of System

All citizens of Denmark over 65 years of age, without income derived from private means or from pensions other than old-age pension, are entitled to old-age pensions under the law. Exception is made in favor of persons whose earning capacity has been reduced by one-third, who are entitled to old-age pensions at the age of 62.

The applicant for pension must have had a fixed legal residence in Denmark or must have sailed with Danish ships for the last five years preceding his application for an old-age pension. Exceptions to this may be granted in specially meritorious cases, however.

The following are debarred from the benefits accruing under this law:

(1) Persons sentenced for the commission of acts that are odious in public opinion, unless such persons have been reinstated in their civic rights.

(2) Persons who have squandered their means or have impoverished themselves for the purpose of becoming eligible for pension.

(3) Persons who have received public charity or poor relief three years prior to application. Hospital or medical care at public expense is not considered poor relief in this connection.

(4) Persons who, during the five years prior to application, have been found guilty of vagrancy, of having solicited alms, or of having led a dissolute life through overindulgence of intoxicants, etc.

Type of Law

The old-age pension law of July 1, 1927, like its predecessors, is a straight pension law and contains no insurance features. The law aims to establish the principle that poor persons are without question entitled to old-age pensions when they have reached the age limit fixed by law.

Contributions

No contributions are required of recipients of old-age pensions, either before the age limit has been reached when old-age pensions can be granted, or afterwards.

Benefits

The following table shows the annual maximum benefits payable under the law to various classes of persons residing in various localities where the cost of living differs:

TABLE 26.—*Maximum pensions payable under Danish old-age pension system*

[Conversions into United States currency on basis of krone=26.8 cents]

Class of pensioner	Copenhagen and surrounding districts		Urban districts		Rural districts	
	Danish currency	United States currency	Danish currency	United States currency	Danish currency	United States currency
Married couples:	*Kroner*		*Kroner*		*Kroner*	
Where both are over 65 years	1,008	$270.14	804	$215.47	600	$160.80
Where one is over—						
66 years	1,104	295.87	882	236.38	660	176.88
67 years	1,200	321.60	960	257.28	720	192.96
68 years or more	1,296	347.33	1,038	278.18	780	209.04
Single men or couples where the man only is over—						
65 years	678	181.70	540	144.72	402	107.74
66 years	744	199.39	594	159.19	444	118.99
67 years	810	217.08	648	173.66	486	130.25
68 years or more	876	234.77	702	188.14	528	141.50
Single women or couples where the woman only is over—						
65 years	642	172.06	510	136.68	378	101.30
66 years	708	189.74	564	151.15	420	112.56
67 years	774	207.43	618	165.62	462	123.82
68 years or more	840	225.12	672	180.10	504	135.07

For persons with private incomes exceeding 300 kroner ($53.60) a year for married couples and 100 kroner ($26.80) a year for single persons, corresponding deductions are made in the old-age pensions granted, in such manner that income plus the pension granted shall not exceed the maximum old-age pension payable under the law.

The local authorities in mixed urban and rural districts classify the old-age pensioners as to urban or rural residence and fix the amount of pension according to their status.

Administration

The law is administered by local or municipal authorities, under the supervision of the Minister for Home Affairs, to whom appeals from decision by local authorities can be brought.

The local authorities, whose duty it is to classify the pensioners as to residence, are authorized to withhold pensions to helpless aged persons and place them instead in old-age homes, provided the care and comforts they receive in such homes are at least as good as, or better than, what could be obtained for them with the cash pension payments.

Old-age pensions are paid one month in advance on the first day of the month.

The cost of administration is borne by the municipalities or local authorities, which also bear the cost of five-twelfths of the old-age pensions paid in their respective districts. The State contributes the remaining seven-twelfths.

Statistics of Operation

Number of persons receiving benefits.—The following table shows the number of pensioners of each class during the fiscal year ending March 31, 1929:

TABLE 27.—*Number of pensioners of each class under Danish old-age pension system, by districts, year ending March 31, 1929, and two preceding years*

Class of pensioners	Copenhagen and surrounding districts	Urban districts	Rural districts	Total
Married couples, both over 65 years	2,880	4,703	11,354	18,937
Man only over 65 years:				
Single	3,628	5,235	12,329	21,192
Married	806	1,380	3,346	5,532
Woman only over 65 years:				
Single	15,748	14,515	22,041	52,304
Married	208	323	965	1,496
Total, 1928–29	23,270	26,156	50,035	99,461
1927–28	23,480	26,454	50,501	100,435
1926–27	23,929	27,544	53,155	104,628

During the same three years the number of pensioners placed in homes for aged was: 1926–27, 5,451; 1927–28, 5601; 1928–29, 5,723.

According to the Danish census of 1925 the population of Denmark was at that time 3,435,000. If the population in 1929 be estimated, in round figures, at 3,500,000, the old-age pensioners formed approximately 2.84 per cent of the entire population in that year.

The year 1928–29 is the last year for which statistics are available. It is also the only one of the three years mentioned during which pensions were distributed according to the law of July 1, 1927. During the preceding year, 1927–28, pensions were distributed for several months according to the law of August 7, 1922, and later according to the law of July 1, 1927, and during the year 1926–27, entirely according to the law of August 7, 1922.

A comparison, therefore, between the number of pensioners in the two years 1926–27 and 1928–29 shows how the two laws of August 7, 1922, and July 1, 1927, operated. In the year 1926–27 there were 5,167 more pensions than in 1928–29. This decrease was due to the fact that a number of persons with small private incomes who, under the law of August 7, 1922, were entitled to old-age pensions were eliminated from the list of pensioners by the law of July 1, 1927.

Amount paid in benefits.—The following amounts were expended in Denmark for old-age pensions:

	Kroner	
1923–24	72, 000, 000	($19, 296, 000)
1924–25	74, 300, 000	($19, 912, 400)
1925–26	73, 000, 000	($19, 564, 000)
1926–27	66, 900, 000	($17, 929, 200)
1927–28	61, 600, 000	($16, 508, 800)
1928–29	59, 400, 000	($15, 919, 200)

Since 1924–25 the public expenditures for old-age pensions have steadily decreased. This is in part due to the fact that the Danish community was suffering from the economic crisis which had swept the country prior to 1923, the ill effects of which showed themselves during the following years until normalcy was reached, about 1926. The material decrease in expenditures during the last two years is due, of course, to the law of July 1, 1927.

The following table shows the expenditures by the municipalities and by the State during the years ending March 31, 1927, 1928, and 1929:

TABLE 28.—*Expenditures by municipalities and State under Danish old-age pension system during years ending March 31, 1927, 1928, and 1929*

[Conversions into United States currency on basis of krone=26.8 cents]

Source of contribution	Amount of expenditure in—					
	1926–27		1927–28		1928–29	
	Danish currency	United States currency	Danish currency	United States currency	Danish currency	United States currency
	Kroner		*Kroner*		*Kroner*	
Municipalities	26, 000, 000	$6, 968, 000	24, 200, 000	$6, 485, 600	25, 000, 000	$6, 700, 000
State	40, 900, 000	10, 961, 200	37, 400, 000	10, 023, 200	34, 400, 000	9, 219, 200
Total	66, 900, 000	17, 929, 200	61, 600, 000	16, 508, 800	59, 400, 000	15, 919, 200

The State contributions mentioned in the above table are the amounts received by the municipalities from the Minister of Home Affairs during the fiscal year and are amounts due from the State for seven-twelfths of the municipalities' total expenditures during the previous year.

There are no statistics available regarding the actual cost of administration of the old-age pension law, but the cost is quite negligible. A machinery for the administration of other social insurance laws, such as those providing for sickness, invalidity, and unemployment benefits, and workmen's compensation, exists in all parts of Denmark, on which the administration of the old-age pension law also devolves.

Changes in Old-Age Pension Legislation Contemplated by Danish Parliament

The Minister for Home Affairs has recently announced that a bill for the codification and reform of all Danish social law will be introduced in Parliament during the present session, which began on October 1, 1930. The contemplated bill contains the proposal that invalidity and sick benefits, workmen's compensation benefits, and old-age pensions be distributed and administered under one law and not under separate laws as heretofore. Under the proposed system the rates of State and municipal contributions would be increased and certain additional taxes would be imposed on private persons. The expenses under the proposed social reform bill, it is estimated, would amount to 187,000,000 kroner ($50,116,000), as against 160,000,000 kroner ($42,880,000) under the present laws. Of the 187,000,000 kroner, the State would contribute 100,000,000 kroner and the municipalities 75,000,000 kroner, and employers' additional taxes 12,000,000 kroner. At present the contribution of the State is about 73,000,000 kroner per annum and the contribution of the municipalities 88,000,000 kroner per annum.

Whether or not the proposed reform bill will become law depends on the attitude of the Upper House of the Danish Parliament (*Landstinget*). It is probable that both houses will pass the social reform bill, with some modifications, and it is expected that old-age pensions will be increased.

SOURCES FOR DENMARK: Lov (Nr. 347—1922) Tillægs-Bekendtgørelse til Indenrigsministeriets Bekendtgørelse af 13 July 1922 vedrørende Udbetaling af ekstraordinær Arbejdsløshedsunderstøttelse i Henhold til Lov Nr. 529 af 22 December 1921 m. v.; Lov. (Nr. 134—1927) om Aldersente, den 1 Juli 1927, and reports of Danish Social Insurance Office.

France

By Alfred D. Cameron, *American Consul, Paris*

Retirement for invalidity and old age has been provided in France for many years through the institution of various insurance funds serving different classes of workers and special groups. The earliest of these funds was the pension and retirement fund for registered French seamen which was established about 1673. The funds for special classes of workers include, in addition to seamen, railway employees and miners, while general funds include the National Old-Age Retirement Fund—a voluntary fund established in 1850 in which any citizen may purchase an annuity—the Workmen's and Peasants' Fund established in 1910, and the noncontributory pension system established in 1905 which provided either pension or asylum for every French citizen who was without adequate resources and unable to work. Private pension systems of all kinds inaugurated by employers, employees, trade-unions, or other groups have been subject, also, to State regulation through a series of laws and decrees. The comprehensive social insurance law which became effective July 1, 1930, provides for the eventual unification of these different systems while utilizing to some extent the machinery which has been developed for their administration.

Seamen's Insurance System

A naval invalid's fund for all French registered seamen, including officers, was established as early as 1673. By the law of January 1, 1930, the retirement fund was separated from the special fund for premature invalidity; a second retirement fund was set up for doctors, cooks, and stewards; and the fund for premature invalidity, inaugurated in 1905 for registered seamen only, was extended to cover the insured under both of the retirement funds.

The three funds are administered by the National Disabled Seamen's Institution, which also manages two other special funds (war-prize fund and seamen's deposit fund) and numerous other services connected with the welfare of both naval and merchant seamen.

The institution was granted, on January 1, 1930, civil personality and fiscal autonomy. It ceased to be part of the Ministry of Merchant Marine and was placed under the immediate supervision of a committee of 30 members, of whom 10 represent the Government and Parliament, 10 the shipowners, and 10 the insured persons.

The management of the institution draws up annually the proposed budget of each fund and service, accompanied by forecasts of receipts and expenditures of the insurance funds for the next 30 years. The committee adopts this series of budgets, with such modifications as it deems advisable and possible, and presents it to the ministerial Departments of Merchant Marine and Treasury.

When these departments reach an agreement with each other and with the committee the series of budgets is published as a presidential decree countersigned by the two ministers.

The revised budget for 1930 shows that slightly more than two-thirds of the management expenses are met by contributions from the three insurance funds. The remainder comes principally from fees for temporary fishing concessions and the sale of crew-list forms.

The basic law relating to the institution and its various funds is that of July 14, 1908, which codifies all previous laws on the subject. This has since been amended by a number of temporary measures and by two recent pieces of permanent legislation—the law of January 1, 1930, and article 107 of the law of April 16, 1930.

Permanent regulations, published in the form of presidential decrees or departmental orders, have not been codified. Most of them are obsolete and have been replaced, for the time being, by a circular instruction dated January 13, 1930.

Registered Seamen's Fund

This pension and retirement fund was established for the benefit of French registered seamen in 1673 and has since been continued without interruption. All registered seamen of French nationality are members and eventual beneficiaries.

While it is nominally an insurance plan, the combined contributions of employers and employees met only one-sixth of the expenses in 1930, and will form continually smaller proportions in subsequent years.

Contributions.—Seamen of French nationality employed on ocean-going vessels and in distant fishing and those signed on by the month or by the voyage on coastwise trading vessels are required to contribute 5 per cent of their combined wages and profits. The employers' contribution is seven-tenths of the employees' contribution, or 3.5 per cent of wages and profits. Employers are required to pay in both contributions, or 8.5 per cent, in the case of seamen of foreign nationality.

Because of the difficulty in calculating real wages and profits, the seamen employed on a profit-sharing basis on vessels engaged in coastwise trade, in inshore or deep-sea fishing, or on pilot vessels contribute fixed sums according to the class of employment. These sums vary from 4.80 francs (18.81 cents [22]) a month for cabin boys and apprentices to 57 francs ($2.23) a month for masters. The employers' contribution is seven-tenths of the employees' contribution, plus both employers' and employees' contributions for foreign seamen.

Benefits.—Since the 1908 schedule will be in effect to some extent for many years to come, it may be mentioned in passing. The old-age benefit, for persons retiring at or after 50 years of age and after 300 months' service, was from 3,600 francs ($141.12) to 7,200 francs ($282.24) per annum, the seamen being divided into six classes for this purpose. The minimum benefit is payable to ordinary seamen

[22] Conversions into United States currency on basis of franc equal 3.92 cents.

and the maximum to masters of ocean-going vessels and to first engineers. These full benefits under the law of July 14, 1908, as amended to April, 1930, are retained as the basic or fixed element of calculation under the new law of 1930.

A seaman retiring under the law of 1930, after attaining the age of 50 years and after service of 300 months, draws supplementary benefits (granted by the law of January 1, 1930) for service in 1930 and subsequent years. When these supplements have come into full effect an ordinary seaman retired after 300 months' service at an average annual wage of 9,000 francs ($352.80) will receive a supplementary benefit of 1,200 francs ($47.04); a master in the mercantile marine whose average salary was 25,000 francs ($980) a supplement of 2,830 francs ($110.94) a year; and a master of an ocean-going vessel whose average salary was 36,000 francs ($1,411.20) a supplement of 5,580 francs ($218.74) a year.

Proportional benefits may be obtained upon reaching the age of 50 years, with service of 180 months or more, being such proportion of the full basic benefit as the number of full months' service bears to 300. Supplements accrue for such portion of the service as is accomplished in and after 1930.

Proportional benefits, after service of 180 months or more, and without regard to age, are payable from this fund to insured persons who are absolutely and definitely incapacitated for continuing the calling of seaman. Supplements accrue for service in and after 1930. This is distinct and separate from the Seamen's Welfare Fund benefits, but the benefits from the two funds may accrue to the same person if the incapacity results from accident or illness in line of duty.

In addition to the basic and supplemental benefits, which are straight insurance features, there are supplemental allowances amounting to 300 francs ($11.76) a year for each child under 16 years of age.

Widows and orphans (together, if both survive) are entitled to one-half of the benefit which the deceased received, or to which he would have been entitled if he had reached the age of 50 years. The widow's benefit ceases upon remarriage or death, and that of the children upon reaching the age of 16 years.

Another service maintained by this fund, but without insurance or actuarial features, is the granting of fixed pensions of 460 francs ($18.03) a year to needy widows (not entitled to insurance pensions) of seamen who die at sea, regardless of length of service, or who die either on land or at sea after 180 months of service. Variable pensions, in such amounts as are justified by circumstances and by comparison with insurance benefits, are granted to such former merchant or naval seamen, or to their widows, orphans, or aged parents as are found to be in dire need.

Statistics of operation.—The number of insured under this fund, being the average number of French registered seamen during the current year, is about 170,000.

Beneficiaries, other than the insured, included in 1930, 7,500 widows and orphans receiving fixed pensions of 460 francs ($18.03) a year, and 12,000 noninsured seamen or relatives receiving varying amounts of aid, averaging 103 francs ($4.04) a year. The insured beneficiaries numbered 59,800 in 1930, and drew pensions averaging 3,287 francs ($128.85). The budget does not distinguish between those drawing full benefits and those retired on proportional pensions.

Receipts and expenditures balance in 1930 at 220,790,000 francs ($8,654,968). The share of this fund in the administrative expenses of the institution is 2,103,715 francs ($82,466). This is slightly less than 1 per cent of the benefits expended and reserves set aside during the year, and an average of $1.04 per beneficiary (insured or uninsured) or of 48 cents per contributing worker.

TABLE 29.—*Receipts and expenditures of French Registered Seamen's Fund, 1930*

[Conversions into United States currency on basis of franc=3.92 cents]

Item	Receipts: French currency	Receipts: United States currency	Item	Expenditures: French currency	Expenditures: United States currency
	Francs			*Francs*	
Contributions of seamen and shipowners	35,500,000	$1,391,600	Pensions	196,557,000	$7,705,034
Fees imposed upon owners of pleasure boats and licensed carriers	360,000	14,112	Renewable aid	1,240,000	48,608
Interest on reserves	3,155,000	123,676	Widows' benefits	4,344,000	170,285
Funds created by article 59 of law of Dec. 27, 1927	3,280,000	128,576	Refunds on deposits	300,000	11,760
State subsidy	178,495,000	6,997,004	Addition to reserves	16,245,285	636,815
			Share of fund in expenses of administration	2,103,715	82,466
Total	220,790,000	8,654,968	Total	220,790,000	8,654,968

Cooks' and Stewards' Fund

Prior to the law of January 1, 1930, the unregistered personnel of French vessels, notably ships' doctors, cooks, stewards, and other employees not directly engaged in navigation, were required to belong to the National Pension Fund. They are now included in the general system of seamen's insurance, but under a special autonomous fund. Only persons of French nationality may be members of this fund.

Contributions.—Contributions by employers and employees are on the same basis as for registered seamen.

Benefits.—Basic and supplementary benefits are calculated in the same manner as those for registered seamen, but the basic benefit is somewhat less, varying from 3,100 francs ($121.46) a year for unskilled help to 5,600 francs ($219.41) a year for pursers and doctors.

Statistics of operation.—The insured number about 36,000. There will be few beneficiaries at the end of 1930, first year of the law's operation, and their pensions, payable for account of the calendar year 1930, are estimated at only 100,000 francs ($3,918).

The budget for 1930 balances at 6,750,000 francs ($264,465). Nearly two-thirds of the receipts come from employers' and employees' contributions. Ninety-four per cent of the expenditures go to the building up of reserves and 1.4 per cent to the institution as this fund's share in the administrative expenses.

TABLE 30.—*Receipts and expenditures of French Cooks' and Stewards' Pension Fund, 1930*

[Conversions into United States currency on basis of franc=3.92 cents]

Item	Receipts		Item	Expenditures	
	French currency	United States currency		French currency	United States currency
	Francs			*Francs*	
Contributions of employees and shipowners; Interest on reserves	4,250,000	$166,600	Pensions	100,000	$3,920
			Renewable aid	20,000	784
State subsidy	2,500,000	98,000	Share of fund in expenses of administration	95,000	3,724
			Addition to reserves	6,535,000	256,172
Total	6,750,000	264,600	Total	6,750,000	264,600

Seamen's Welfare Fund

The principle of this fund was adopted in 1905, but the fund was given separate identity by the law of January 1, 1930. Its members are those of the two preceding funds, averaging, during 1930, some 206,000 persons.

Contributions.—Resources are derived from employees' contributions of 1 per cent of wages and profits, and employers' contributions amounting to 4 per cent.

Benefits.—Benefits are granted for permanent incapacity resulting from accident or illness in line of duty; to widows and orphans in case of death following such accident or illness; to aged parents of the decedents; to seamen or their dependent relatives in case of shipwreck; to temporarily incapacitated seamen during a period of four months from the date of accident, illness, or shipwreck.

Statistics of operation.—The budget of this fund for 1930 balances at 36,891,000 francs ($1,445,390). The State contributed about one-third of the receipts. Overhead expense was estimated at less than 1 per cent of total expenditures.

TABLE 31.—*Receipts and expenditures of French Seamen's Welfare Fund, 1930*

[Conversions into United States currency on basis of franc=3.92 cents]

Item	Receipts		Item	Expenditures	
	French currency	United States currency		French currency	United States currency
	Francs			*Francs*	
Contributions of seamen and shipowners	16,000,000	$627,200	Pensions	30,130,000	$1,181,096
			Daily benefits	1,150,000	45,080
Reserved from the transactions of the marine	4,500,000	176,400	Renewable aid	1,100,000	43,120
Interest on reserves	3,400,000	133,280	Indemnity for loss of personal effects	200,000	7,840
Fund created by article 59 of law of Dec. 27, 1927	820,000	32,144	Indemnity for shipwreck	270,000	10,584
State subsidy	12,171,000	477,103	Share of fund in expenses of administration	320,000	12,544
			Addition to reserves	3,721,000	145,863
Total	36,891,000	1,446,127	Total	36,891,000	1,446,127

Voluntary Insurance

The National Old-Age Retirement Fund (*Caisse Nationale des Retraites pour la Vieillesse*) was established by the law of June 18, 1850, amended by laws of July 20, 1886, and March 8, 1928.

Coverage of System

According to the terms of the law, any person residing in France may purchase annuities from the fund, which is a semiautonomous subsidiary of the Treasury. Residents who are not French citizens or subjects may not, however, participate in any of the insurance features which are not covered by their own premium payments.

Type of Law

The system set up by this law is a straight insurance system. If the annuitant alienates or abandons the capital to the fund, the benefits are restricted to life annuities. If he reserves the capital, the amount of the annuities is somewhat smaller, but the premiums actually paid in are reimbursed to his estate without interest.

The great majority of annuitants take advantage of the law of July 20, 1886, which allows them to make premium payments at any time they see fit, and in any amount. The other types of annuities, authorized by the law of March 8, 1928, have not yet become popular, although it seems possible that they may be responsible for the extraordinary increase in the total number of annuitants since 1928.

Contributions and Benefits

Contributions are in any amount from 3 francs (11.7 cents) upwards, and may be made by the beneficiary himself or by any other person. Contributions are impersonal, except that in the case of reserved capital the reservation is in favor of the beneficiaries designated by the annuitant.

Yearly benefits may not exceed 30,000 francs ($1,176) to any individual annuitant under all of the laws in force, of which not more than 6,000 francs ($235.20) is free of stamp and registry taxes. Under the law of July 20, 1886, the maximum annuity is 6,000 francs ($235.20).

At the time of paying the premium the annuitant may ask for the annuities to begin at any age between 50 and 65 years. He may, upon the approach of the age he has chosen, postpone his annuities to another age; or, if he desires that the annuities begin at some earlier age than that chosen originally, this may be done provided that the new age chosen be not less than 50.

Life insurance purchased from the National Life Insurance Fund (*Caisse Nationale d'Assurance en Cas de Décès*) may be transformed into annuities under the National Old-Age Retirement Fund at the request of the insured.

Some of the examples given in the fund's announcement may be regarded as typical:

What would be the single premium payable, with abandonment of the premium to the fund, by a father on the head of his child aged 9 years so that the child might, npon attaining the age of 60, receive a life annuity of 4,000 francs ($156.80) under the law of 1886?

The single premium is 60.71 per cent. The premium for 4,000 francs is 2,428 francs ($95.18).

Under the foregoing example the child becomes the annuitant. If no other annuities be settled on him in the meantime he may purchase on his own account 2,000 francs a year, making a total of 6,000 francs, the maximum under this plan.

Immediate life annuity on one risk (law of March 8, 1928): What would be the premium, abandoned to the fund, for an annuity of 1,000 francs ($39.20) to an annuitant aged 70?

The premium in this case is 684.78 per cent. The annuity of 1,000 francs would cost 6,847.80 francs ($268.43).

It is the evident intention of the foregoing example, and of other examples cited in favor of the "immediate annuity on one risk," that persons who have reached the age of retirement will take advantage of it. However, there is no age limit, the table citing all ages up to 102. If the capital (premium payments) be reserved, the cost per unit (1 franc) of annuity is 22.5938 francs.

Immediate life annuity, reversible on a second risk (law of March 8, 1928): What immediate life annuity could a person aged 65 buy with 30,000 francs ($784), capital abandoned, if his annuity is reversible at death upon another person presently aged 60?

The premium for this type of annuity is 1,131.13 per cent. A payment of 20,000 francs would procure an annuity of 1,768 francs ($69.31).

In the following example with reserved capital the cost per unit is 22.5938 francs.

Annuity in case of survival (law of March 8, 1928): If a person aged 35, insurable after medical examination, wishes to buy for his mother aged 60 a life annuity of 3,000 francs ($117.60), payable in case the insured should die before the beneficiary, what premium would he have to pay?

One premium of 3,757.80 francs ($147.31), or annual premium of 437.10 francs ($17.13).

The law of March 8, 1928, also provided combinations based upon the principles of the law of July 20, 1886 (first example cited above), but not subject to its limitations regarding the age of the annuitant and the amount of the annuity. These are, briefly, a contract for the purchase of annuities to run, not from 50 to 65 years, but from any age from 5 to 45 years after the payment of each premium; and, secondly, a temporary contract for the purchase of a limited number of annuities. This last form of contract is in the nature of life insurance if the capital be reserved in such fashion as to become payable only after death of the annuitant occurring before the expiration of the contract; in this case, medical examination is required. It is also of the nature of endowment insurance if the capital be wholly reserved.

Additional benefits.—Annuitants, either French or foreign, may have their annuities paid to them at any age if they become, through accident or premature infirmity, totally incapacitated for work. The annuity is not that which would normally become due at the age of 50 or more, but that which would have become due for the age when infirmity occurred if the contract had provided for payments from that age.

French annuitants who are worthy and indigent may, upon reaching the age when their annuities commence to run, have them increased to a certain extent, not to exceed the trebling of the annuity. This is a substitute for the noncontributory pensions provided for by the law of 1905.[23]

Administration

The administration of the law is supervised by a committee of 22 members, of whom 4 are elected by Parliament from among its members, 2 are selected from the State council, 10 represent labor organizations and other private interests, and 6 are national officials ex officio. The committee reports annually to the President of the Republic through the Ministry of Labor.

The headquarters staff of the fund is not, however, employed by the Ministry of Labor. It is a part, variable according to requirements, of the personnel of the Government Deposit and Consignment Fund (*Caisse des Dépôts et Consignations*), a branch of the treasury handling funds which, although in Government custody, are neither receipts nor expenditures of the State itself.

Agents of the fund are virtually all receivers and disbursers of public funds, notably tax collectors, Government fiscal agents, and postmasters.

Statistics of Operation

The number of annuitants at the end of 1930 somewhat exceeds 800,000, as compared with less than 400,000 at the end of 1913. The number of prospective annuitants, who have already entered into contracts but are not yet beneficiaries, could not be ascertained, but it is learned that this number has increased rapidly as the result of the amendments to the law in 1928.

The fund lost a large number of adherents by the transfer of pensions built up by merchant seamen to the Registered Seamen's Pension Fund already described. The social insurance law, however, has so far had no effect on the fund's activities. It seems safe to conclude that the number of individual annuitants, present and prospective, now greatly exceeds 1,000,000.

The number of annuitants at the end of 1929 was about 765,000, receiving about 230,000,000 francs ($9,016,000) in the course of the year. This was an average of 300 francs ($11.76) each, being only one-twentieth of the authorized maximum. Of course, this result is due principally to the fact that present annuitants made the larger part of their payments before the old franc (valued at 19.3 cents) had become substantially depreciated.

In addition to individual accounts, 2,771,611 premium payments were made for the account of employees of public administrations, being independent of and in addition to the regular retirement plan based on deductions from salaries; 644,000 for the account of employees of private enterprises (led by department stores, public utilities, banks, metallurgical enterprises, railways, and steamship

[23] See under "Noncontributory pensions."

companies, in the order named); and about 1,317,000 for other accounts, subdivided as follows:

Scholastic societies	595,000
Mutual-aid societies	58,000
State subsidies	653,000
Transfers from other funds	11,000

It is believed by the administration of the fund that the social insurance law, with its compulsory-retirement feature for low-salaried employees, will gradually eliminate the group contracts. However, a large proportion of these will doubtless be transformed into individual contracts in the course of the next few years.

Receipts of the fund in 1927 were 1,723,276,000 francs ($67,552,419), of which 478,249,000 francs ($18,747,361) were not premiums. Expenditures were 1,702,893,000 francs ($66,753,406), of which 1,462,990,000 francs ($57,349,208) were for purchases of Government bonds.

The cost of administration was 16,584,000 francs ($650,093), being 3.5 per cent of net premiums, or 7.9 per cent of benefits and bonuses paid. These are the figures for the calendar year 1927, the latest available.

Railway Employees' Insurance System

Some arrangement for the retirement of superannuated railway employees has been in existence almost as long as the railways themselves, that is to say, nearly a century. However, the first law formally requiring the companies to provide retirement schemes for their employees was that of 1869. This law was overhauled several times, but was finally superseded by the laws of July 21, 1909, and December 28, 1911.

The law of 1909 obliged all trunk-line railway employees to join a retirement fund. The funds already existing were not abolished, but could not enroll new members. Funds formed prior to 1909 were numerous, one of the trunk-line systems having no less than six different funds for its various classes of personnel. The extinction of these funds, by the death of the last beneficiary thereunder, may not be expected for about 25 or 30 years from now.

The law of 1911 provided that the personnel not affiliated with any fund prior to January 1, 1911, was to be given retirement at the rate of one-eightieth of the final base pay for each year of non-affiliation and one-fiftieth for each year of affiliation.

The principles laid down in these laws are still in force, but the figures have been amended several times. The distinctive principle, peculiar to the railway retirement plan and requiring a heavy contribution by the employers, is that the retired pay is based on the average of the three "best years" or years of highest pay during the entire service. While this is due specifically to the frequent occurrence, among locomotive engineers, of premature superannuation, it is extended to all other employees as well for the sake of uniformity.

Coverage of System

The retirement funds cover all persons receiving salaries or wages from the railway companies. Male employees are obliged to affiliate when, after the performance of military service, they have been employed continuously by the company for a period of one year. However, the employee who is refused by the army as unfit for military service is not allowed to affiliate at an earlier date than those of his military class accepted for service.

Female employees may not affiliate before attaining their legal majority, 21 years of age.

Contributions

The employee's contributions amount to 5 per cent of wages, the entire first month's wages after affiliation, and one-twelfth of every increase in annual wages. The proportion of contribution to the entire pay roll averages 3½ per cent.

The companies' contributions equal 15 per cent of the pay roll.

Benefits

Normal retirement benefit is due, in the case of locomotive engineers and firemen, after 25 years' service (or 15 years' service in that capacity alone), and upon reaching the age of 50; in the case of all other employees, after 25 years' service and on reaching the age of 55. The company may retire any person upon his attaining this minimum service for retirement purposes.

Invalidity benefit is granted after 15 years of service if the employee is found physically unfit for railway service by either the company itself or a special medical committee.

When either the company or the committee finds that any employee has become incapacitated as the result of some incident or accident in line of duty, he may be retired without regard to the length of service.

An employee having served 15 years or more may leave the employ of the company without losing his right to retirement at the age of 50 or 55, as the case may be. The benefit payable to him does not begin to run until he has reached the required age, but the principal to his credit bears interest in the meantime.

The normal benefit is one-half of the average pay of the three highest-paid years, but not less than one-fiftieth of the average annual wage for each year of service.

An employee leaving the company before 15 years of service is reimbursed for his contributions, plus accrued interest.

The minimum normal benefit is, with unimportant exceptions, 5,000 francs ($196) a year. For persons drawing average pay of 40,000 francs ($1,568) or less, the maximum is three-fourths of the average salary during the three best years. There is a sliding scale, in descending proportion of average pay, for persons who have earned more than 40,000 francs a year on an average, during the three best years.

Receipt of invalidity or old-age benefit granted by the railways does not bar receipt of any benefits to which the employees may become entitled by reason of the law of April 8, 1898, concerning industrial accidents.

Widows' and orphans' benefits.—One-half of the annual benefits received or receivable by an employee reverts to the widow or orphans or both. Orphans' benefits cease at the age of 18 years.

Widows may also receive their own active or retired pay, if they themselves are present or former employees of the company.

A female employee of the company does not leave a benefit to her husband, but her benefit is payable directly to the orphans.

Administration

Each of the seven trunk-line railways, as well as each of the secondary systems, has its own pension fund administration, composed of 10 members, responsible to the Minister of Public Works to whom it renders an annual statement and a detailed report of operations over 5-year periods.

Each fund is autonomous, except that each purchase or sale of assets held as investments must be specifically approved by the Minister of Public Works.

The personnel of each fund is paid by the fund itself. The companies furnish free of charge the necessary office room. They also furnish such services as handling receipts and disbursements at points where the pension-fund activities are not sufficiently developed to warrant the maintenance of the fund's own personnel.

Statistics of Operation

The number of railway employees actually in service, and obligatorily affiliated to the pension funds, is about 446,000. The number of individual pensions paid is about 165,000, to which should be added 5,000 pensions paid from funds set up prior to the present law.

During 1928 the combined receipts of the pension funds were 1,500,647,000 francs ($58,825,362), while their disbursements were 719,133,000 francs ($28,190,014) for pensions and 29,000,000 francs ($1,136,800) for overhead. The overhead cost was about $2.50 per capita.

Invested reserves increased from 6,144,000,000 francs ($240,844,800) to 6,880,000,000 francs ($269,696,000) during the year 1928.

On the face of the annual financial reports of the pension funds, no increase in the amount of contributions by the companies will be needed for some years to come. However, any general increase in the wages of railway employees, or any sharp decrease in the interest rates on the funds' present investments, would undoubtedly call for upward revision of the companies' contributions.

Miners' Insurance System

By the law of June 29, 1894, miners and quarrymen were obligatorily insured in the National Old-Age Retirement Fund, the retirement and invalidity annuities being purchased by means of contributions amounting to 4 per cent of the wages or of such part of the wages as did not exceed 5,000 francs ($965) a year. The employers could, at their option, require the workmen to bear not more than one-half of the total contribution; they might also, if they wished to increase the annuities payable to their retired personnel, make additional voluntary contributions.

This legislation was replaced by the law of February 25, 1914, instituting an autonomous fund for miners' pensions.

Coverage of System

All workmen in mines and quarries situated in France and certain delegates of the management and of the personnel are members of the pension fund, but foreign workmen are excluded from such part of the benefits as accrue from the State's contributions unless there be a treaty of reciprocity with their own countries. Treaties of reciprocity have been negotiated with Belgium, Italy, and Poland, but that with the last-named country has not yet been ratified by the French Parliament.

Contributions

The total contributions by employers and employees amount to 11 per cent of the wages. The entire schedule of contributions is as follows:

	Per cent
Insurance fund:	
Miners under 30 years old	2.5
Miners over 30 years old	4.0
Special fund:	
Miners under 30 years old	8.5
Miners over 30 years old	7.0
State's contribution	4.5

Benefits

The basic benefits consist of a pension of 5,000 francs ($196) a year to retired miners, increased by 60 francs ($2.35) for each year of service in excess of 30 performed before attainment of age 55; proportional retirement pensions to miners who have more than 15 but less than 30 years of service (a year being not less than 264 working-days); monthly invalidity benefits of 300 francs ($11.76) for temporary disability, or permanent invalidity pensions of 3,600 francs ($141.12) a year for prolonged invalidity; and fractional benefits to widows and orphans.

That part of the benefit paid from the insurance fund is pure insurance, on an actuarial basis, similar to that which can be purchased from the National Old-Age Retirement Fund. The capitalized premiums are credited to individual accounts at their actuarial value, regardless of the length of service of the insured. The part paid from the special fund, including the contributions by the State, is reserved exclusively to workmen with 15 or more years' service.

A miner who has received, during six consecutive months, medical assistance from his aid society and who, at the expiration of this period, is incapacitated to the extent of two-thirds may receive certain benefits if his total service has been 2,640 days (10 years) including absence for sickness or injury, of which not less than 500 actual working days must have been in the two years preceding the beginning of his illness or accident. These benefits are as follows: (1) During the five years after expiration of the sixth month of illness, a monthly allotment of 300 francs ($11.76), paid by the aid society subject to reimbursement from the fund to the extent of 230 francs ($9.02); and thereafter if the beneficiary has not attained the age of 55 years, an annual pension of 3,600 francs ($141.12) paid entirely by the special fund. These payments are not payable in addition to pensions granted under the law of 1898 concerning accidents, nor in addition to military pensions. They are not made to persons who become infirm through their own intentional or willful fault or neglect, nor to those who became ill or injured while doing some unlawful act, such as a crime or misdemeanor.

Widows' and orphans' benefits.—Orphans aged less than 16 years at the time of the father's death are granted, in case the miner has served at least 15 years, annuities amounting to 200 francs ($7.84) a year for one orphan, 250 francs ($9.80) for two, and 300 francs ($11.76) for three or more orphans. In addition, there is a small allotment for the education of half or full orphans.

The widows of miners who were themselves receiving or entitled to benefits are granted annuities varying from 750 francs ($29.40) to 2,500 francs ($98) a year.

Administration

The fund is administered by a council of 18 members—6 representing the employers, 6 representing the insured, and 6 representing the State. The fund is entirely autonomous, but its council is responsible to the Ministry of Labor for its actions.

Statistics of Operation

The number of miners and quarrymen fluctuates considerably, not only year by year but season by season, inasmuch as many miners have a second occupation in odd seasons of the year. The normal number of employees in French mining and quarrying enterprises is about 330,000, but the number of workmen making contributions in 1929 was 425,000. The total number of individual accounts on the books of the fund is nearly 1,100,000.

Persons receiving benefits in 1929 were as follows:

	Number of pensioners
Insurance fund, old age	37,677
Insurance fund, invalidity	160
Special fund, increased annuities	80,988
Special fund, invalidity	171
Monthly allotments, invalidity	811
Monthly allotments, orphans	4,150

It would be inaccurate to add all of these classes together, inasmuch as the majority of those receiving old-age pensions from the insurance fund receive pensions from the special fund as well.

The average amount of insurance-fund benefits in the 16 years, 1914 to 1929, for retired workmen still living at the end of this period, is shown in the table following. The first column should be read in connection with the statistics of the special fund, which show the average increases over the insurance-fund benefits at the end of 1929.

TABLE 32.—*Average pensions of specified type granted during period 1914–1929 and during calendar year 1929 under French miners' insurance system*

[Conversions into United States currency on basis of franc=3.92 cents]

Type of benefit	1914–1929				1929	
	Insurance fund		Special fund			
	French currency	United States currency	French currency	United States currency	French currency	United States currency
	Francs		*Francs*		*Francs*	
Old-age pensions:						
After 30 years' service	166	$6.51	4,906	$192.32	314	$12.31
After 15–29 years' service	132	5.17	2,316	90.79	205	8.04
Less than 15 years' service	59	2.31			68	2.67
Invalidity pensions	48	1.88	3,424	134.22	115	4.51
Pensions for widows of—						
Miners with 30 years' service			2,536	99.41		
Miners with 15–29 years' service			1,237	48.49		

Total premium receipts of the miners' pension fund in 1929 were 275,000,000 francs ($10,780,000), of which 32,000,000 francs ($1,256,400) was contributed by the State. With the addition of interest and other receipts, the gross income was 394,000,000 francs ($15,444,800). Expenditures from both funds (insurance and special) aggregated 251,000,000 francs ($9,839,200) or substantially less than the premium receipts.

Available reports do not show the overhead cost of the institution.

Regulation of Private Pension Systems

Legislation of permanent character is to be found in the following laws and decrees not relating to any particular category of workers nor to any standard scheme of insurance but to private pension systems of all sorts, whether managed by employers, employees, trade-unions, mixed committees, or mutual-aid societies: The law of December 27, 1895, concerning the funds for pensions, aid, or savings set up for the benefit of workmen or employees; the decree of October 14, 1897, which is a general administrative order for enforcement of that law; the law of April 1, 1898, relative to mutual-aid societies; and the decree of May 2, 1899 (amended by many subsequent decrees), which is a general administrative order concerning the representation of mutual-aid societies in the mutual-aid council.

The law of December 27, 1895, constituted a safeguard for the workers by providing that the sums withheld from pay or contributed by employers should form a fund irrevocable by the employers and not liable to attachment by creditors. The contributions were to be deposited with the Government Deposit and Consignment Fund, or transformed into annuities under the National Old-Age Retirement Fund, or placed in autonomous funds authorized by the Ministry of Finance and subject to its inspection.

The law of April 1, 1898, required mutual-aid societies to invest the contributions, made by their members, with a view to building up retirement pensions, in annuities of the National Old-Age Retirement Fund.

Under both of these laws, the contributions invested in annuities might be placed under either individual or collective contracts.

Noncontributory Pension System [24]

The law of 1905, administered by departmental and municipal authorities, provides for either pension or asylum for every French citizen without adequate permanent resources and unable to earn his living by work, either upon reaching the age of 70 or upon becoming incapacitated through permanent infirmity or incurable disease.

The number of persons affected by this legislation was, in 1929, about 566,000, of whom only 59,000 were in institutions. The appropriation for the State's share of the pensions in 1930–31 was 324,999,000 francs ($12,739,960), under chapter 50 of the budget for the Ministry of Labor. A like sum has been proposed for 1931–32 under chapter 35 of the budget for the Ministry of Public Health.

Application for Pension

Pensions are granted only upon individual application. The applicant must file papers which, with summary examination of the case by the local authorities, will show—

(1) That he is more than 70 years old, or infirm or incurable within the meaning of the law.

(2) The amount of contributory pension which he is drawing under the social insurance law or its predecessor, the old-age retirement law.

(3) The amount, if any, of direct taxes paid by him in the preceding year.

(4) The resources which, as a matter of common knowledge attested by the mayor of the commune, are at his disposal annually.

(5) A complete list of the persons liable for his support under the Civil Code, with their addresses, occupations, and annual resources.

(6) The manner in and the extent to which these persons discharge this obligation, or the reasons why they do not discharge it; this to be attested by the mayor.

One month before the first session of the municipal council in each year the Welfare Office (*Bureau de Bienfaisance*) draws up the list of applicants and advises the action to be taken with reference to each. The applicant may not be put into a home for the aged unless he expressly requests such action.

The list drawn up is voted upon by the municipal council by secret vote in executive session. A copy of the list as voted is sent to the prefect of the Department, while another copy remains on file for 20 days in the city hall, where it is available to any inhabitant or taxpayer of the commune who has reason to propose the addition of other names or the elimination of those unduly assisted. The prefect has the same rights as an inhabitant or taxpayer of the commune.

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[24] Law of July 14, 1905, as amended.

Disputed cases are referred to a committee in each canton [a] which must render a decision within eight days of the appeal to its jurisdiction by any competent party. A central committee of the Government at Paris decides finally any appeal from the cantonal jurisdiction.

The pension runs from the date of application, if the application be timely and acceptable.

Causes for Rejection or Diminution of Pension

The principal reason for rejection of pension applications is found in article 205 of the Civil Code, which reads: "Children are required to support their father and mother or other ascendants who are in need."

This requirement is known as the "dette alimentaire," and this debt, like other forms of debt, may be recovered in the civil courts when the debtor is recalcitrant. Aged parents sometimes find the application for a pension, with the attendant inquiries and publicity, a safer and more expeditious means of making their children fulfill their obligations than a suit in the civil courts.

The amount of resources known to be available to the applicant during the year is deducted from the amount of pension allowable. Such of these resources as have been built up through the applicant's own savings, notably the contributory pension, are not deductible unless they exceed 400 francs ($15.68) a year in ordinary cases or 600 francs ($23.52) a year in the case of a person who has reared three children to the age of 16 years. The excess is deductible to the extent of one-half. Thus, an applicant coming within the 400 francs limitation but possessing contributory pension resources of 800 francs, would have his noncontributory pension reduced by 200 francs, being one-half of the excess of 800 francs over 400 francs.

The noncontributory pension, plus the certain resources, may not exceed 2,400 francs ($94.08) a year.

Fixed income from private charity is counted for one-half, with no exemption at the base. Thus, an income of 800 francs a year from private charity would reduce the pension by 400 francs a year. Pension and income from charity combined may not exceed 2,400 francs a year.

Income from the work or personal efforts of an applicant aged more than 70 years is not deductible from the pension nor is it in itself a reason for denial of the pension application.

Amount and Payment of Pension

The pension is calculated at present on a monthly basis, and ordinarily must fall between 30 francs ($1.18) and 60 francs ($2.35) a month, the exact figure being determined by the municipal council and approved by the departmental council. If, for exceptional reasons, such as living costs, the pension is set at a figure more than 60 francs ($2.35) but less than 80 francs ($3.14) a month, approval of the central Government is necessary. When the Government is willing to approve only a figure of 60 francs or less, any excess

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[a] I. e., a group of communes or part of a large commune having a justice of the peace.

must be borne entirely by the local authorities. Similarly, if the Government approves 80 francs a month but the local authorities vote more than that figure, the excess must be met entirely out of the local budgets.

The domicile of the pensioned person is the commune in which he resided for 5 years or more immediately prior to invalidity or to the attainment of the age of 70. If the pensioner had not resided in the commune for 5 years but had lived for that length of time in the Department, the domicile of the pensioner is held to be the Department, and payment must be met out of the departmental budget. If the 5 years' residence was distributed over more than one Department, the national budget supports the entire pension.

Within the limits already mentioned, a fairly large share of the cost of this system to communes and Departments is met by the central Government.

Special Provisions

Since April, 1930, the aged or infirm requiring the special or exclusive attention of another adult person may, if they do not desire to go to a home or hospital, receive an additional pension equal to the unit cost of hospitalization in the home or hospital which they would be entitled to enter, depending upon the place of domicile (municipal, departmental, or national) under the law of 1905.

Invalid or dependents' pensions under the military pension law of April, 1919, are not counted among the deductible resources of the applicant.

The budget of 1930–31 provided a uniform increase of 20 francs (78 cents) a month over the established pension rates (from 30 to 80 francs a month) for all pensioners under the law of 1905, this increase to be borne entirely by the national budget.

Plans for Future

The basic pension and the national supplement will doubtless be consolidated into a new unified system by the committee now engaged in drawing up a new code of local finances.

Article 59 of the social insurance law provides that the insured (whether under the new law or the prior retirement law merged into it) benefiting by noncontributory insurance under the law of 1905, shall be given medical and pharmaceutical attention, 80 per cent of the expense being borne by the social insurance funds and 20 per cent by the authorities of the "relief domicile." This arrangement will ultimately lighten the burden thrown by the law of 1905 on both local and national budgets.

Workmen's and Peasants' Insurance System

The law of April 5, 1910, instituted a fund under the above title, to which there was obligatory affiliation of wage earners or salaried employees of commerce and industry whose annual wages did not exceed 3,000 francs ($576). This limit was later increased to 10,000 francs by an amendment voted in 1922, this sum being roughly equivalent to $400 on an average during the last five years the fund was in existence (1925–1930). The accounts of the fund were transferred to the social insurance system on July 1, 1930.

Optional affiliates of the fund were wage earners of the same classes as the obligatory affiliates, but earning from 10,000 to 12,000 francs ($400 to $480) a year; artisans and other small employers habitually working with only the members of their family and not more than one employee; farm managers, tenant or share farmers, small farmers, and farm hands; and the unsalaried wives or widows of the insured, whether obligatory or optional.

Type of Law

This was a straight insurance law, of the life annuity type, based on normal mortality tables and, as an inducement to affiliation, having a fixed additional benefit covered by a bonus paid into the fund by the State.

Contributions

Annual contributions were as follows: (1) By employees—males 9 francs (35 cents), females 6 francs (24 cents), and minors under 18 years of age 4.50 francs (18 cents); (2) by employers the same rates; and (3) by the State, such sums as might be necessary to constitute the additional benefits payable to the insured upon retirement.

Benefits

Benefits included: (1) Old-age benefit at the age of 60 years, being the mathematical life annuity resulting from the contributions, plus 100 francs ($3.92) the annual bonus guaranteed by the State for persons who had contributed for 30 years and a second annual bonus of 10 francs (39 cents) if the insured has reared three or more children; (2) a reduced annuity, payable at 55 years instead of 60, and a proportionate bonus, at the rate of one-thirtieth of the normal bonus for each year of actual contributions, provided in both cases that the contributions have been paid for not less than 15 years; (3) invalidity benefit, resulting from the anticipated liquidation of the life annuities purchased up to the time of incurring invalidity, plus the normal State bonus; and (4) widows' and orphans' benefits, 50 francs ($1.96) a month—for 3 months if there are no children, for 4 months if there is one child, for 5 months if there are two children, and for 6 months if there are three children under 16 years of age.

Administration

The fund was administered by the Government Deposit and Consignment Fund, under the supervision of a council making annual reports to the Ministry of Labor. Individual accounts were kept for capitalization purposes, on the books of the National Old-Age Retirement Fund.

The law also provided for five separate classes of autonomous funds: (1) Mutual-aid societies, (2) departmental or regional pension funds, (3) employers' association or trade-union funds, (4) mutual guaranty funds of employers granting pensions to their workmen, and (5) pension funds of professional societies. These funds were required to purchase annuities calculated as life annuities at age 65, and to publish frequent statements of their financial condition.

Statistics of Operation

According to the Annuaire Général de la France, 1925, which seems to be the latest report giving detailed statistics concerning the operation of this law, the number of persons known to be subject to obligatory affiliation at the end of 1922 was 7,415,651. However, during the calendar year 1922 only 1,561,833 cards of obligatory insured were exchanged for new cards, as compared with 2,700,646 in 1913.

The same report points out that approximately 11,000,000 persons were presumably subject to obligatory affiliation, while 6,000,000 could be optionally insured. The number of optionally insured was 577,283 at the end of 1917, and only 286,297 at the end of 1922.

The number of cards showing payment of contributions was 1,728,461 in 1922, and the amount of contributions received in that year was 30,706,000 francs (about $2,500,000 at the exchange rates then prevailing).

From 1922 to 1930 the number of insured steadily declined and it became necessary, in order to incorporate the former insured in the new social insurance system, for the State to assume a heavy financial burden, so as to revalorize the annuities purchased by present and former adherents of the Workmen's and Peasants' Pension Fund.

General Social Insurance System

The social insurance law was published on April 5, 1928, and was to have taken effect on February 5, 1930. However, at that date the Government and Parliament had agreed not to transform the workmen's and peasants' pension plan into the more elaborate social insurance plan before July 1, 1930, for deferred risks, and October 1, 1930, for current risks.

The necessity for amendment and postponement of the plan had arisen from various reasons: (1) The agricultural interests, the medical corps, and the mutual-aid societies protested against the provisions affecting them, and the legitimacy of these protests was recognized by Government and Parliament alike; (2) the financial responsibility of the State for the successful working of the plan was not only vaguely defined but likely to be a greater burden than the budget could bear without increasing rates of taxation; and (3) the general administrative order, because it had to conform to the language of the law itself, contained hundreds of complicated phrases which could be simplified into clear and workable ideas only by legislative overhauling.

Amendments, so far as they could be worked out in advance of actual contact with concrete problems, were embodied in the law of April 30, 1930.

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On November 18, 1930, the Minister of Labor announced to the Senate that a number of new amendments, dictated by experience, would soon be introduced as a Government bill.

Coverage of System

The system provides for the compulsory insurance of all residents of France who, being workers or earning an income from their own efforts (other than agricultural tenants or owners who are considered as employers), have annual remuneration or earned income (including payments in kind) not exceeding 15,000 francs ($588). This limit is raised to 18,000 francs ($705.60) for persons residing or employed in cities of more than 200,000 and certain specified industrial centers.

Voluntary insurance is open to the following classes: (1) Agricultural workers not covered by compulsory insurance, intellectual workers who are not wage earners, and in general all persons of French nationality who live principally from the product of their own efforts, are in good health, and aged less than 50 years; (2) persons formerly covered by compulsory insurance but whose salary has passed the legal limit; (3) voluntarily insured persons whose income is above the limit (but the continuance of such optional insurance is restricted to capitalization risks); (4) persons formerly voluntarily insured under the Workmen's and Peasants' Pension Fund; and (5) war veterans. There is also a special optional insurance for the nonsalaried wives of salaried insured.

Persons excluded from the system are employees of the State, Departments, or communes, railway and street-car employees, miners and quarrymen, and merchant seamen. Employees covered by special institutions granting the benefits of social insurance [25] are not excluded but are provisionally excused from compliance with the new law. These institutions must, however, prove within one year from July 1, 1930, that their operations are fully coordinated with the social insurance law, failing which their membership will be enrolled under the official insurance system.

Resident foreigners, who at the time of their application have had a real and permanent residence in France and have been employed regularly for at least three months, may be insured against all risks excepting illness.

Contributions

The employer deducts the contribution of the insured from his salary and affixes to a card, issued for the purpose, stamps representing the contributions of both employer and employee.

Large employers need not have their employees provided with cards, but may pay both contributions by note. In such cases, if an employee is discharged, he is given by the employer a set of current cards with all current stamps affixed. The employer then deducts the amount of this duplicate payment (since payment has already been made by note before affixing the stamps) from the next payment.

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[25] See under "Regulation of private pension systems."

The insured are divided into five annual wage classes. The classes and the annual rate of contributions (both employers' and employees' contributions, each being one-half of the total) are:

TABLE 33.—*Yearly contributions under French social insurance system*

[Conversions into United States currency on basis of franc=3.92 cents]

Salary class	Annual pay		Rate of contributions per year	
	French currency	United States currency	French currency	United States currency
	Francs		*Francs*	
Class 1	1-2, 399	$3. 92-$94. 04	144	$5. 64
Class 2	2, 400-4, 499	94. 08-176. 36	288	11. 29
Class 3	4, 500-5, 999	176. 40-235. 17	432	16. 93
Class 4	6, 000-9, 599	235. 20-376. 28	576	22. 58
Class 5	9,600 and over	376.32 and over	960	37. 63

The employer's half of the basic contribution and the employee's half are lumped together in the primary funds formed for all risks. However, one-half of the total basic contributions is retained for capitalization purposes (deferred risks) while the other half insures the current payments.

Invalidity risks are covered by the Augmentation and Solidarity Fund, the principal resource of which is a special and additional contribution by the employers. The amount, to be fixed annually by decree, may not be less than one-third nor more than two-thirds of what the employer would have to pay for the account of insured persons receiving a total annual remuneration of 18,000 francs ($705.60). It is applicable to all insured personnel earning more than the limit for obligatory insurance—15,000 francs ($588) in general or 18,000 francs ($705.60) for persons residing in large cities or industrial centers—but less than 25,001 francs ($980).

Voluntary insurance, in amounts not exceeding limits to be fixed by a decree, may be purchased by employers or employees who desire greater benefits than those offered by the standard plan.

Benefits

Old-age benefits.—The old-age pension is paid normally at the age of 60 years, on the basis of standard mortality and annuity tables. During the transition period (60–65-year pensions), contributions must have been made for at least five years before the pension may be paid; thus, a person becoming insured in 1930 at the age of 59 could not be retired before 1935.

Receipt of the pension may be postponed, under the same conditions as under voluntary insurance. On the other hand, a reduced annuity may be obtained as early as 55 years of age provided that contributions have been made for a period of 25 years calculated from the time the insured was 16 years old. War veterans are exempted from this last requirement.

The full life annuity may not be less than 40 per cent of the average annual basic wage for persons retiring at 60 or 65 years after making at least 30 full years of contributions, covering at least 240 days' labor each year. This pension is increased by 10 per cent for the insured who has reared three children to the age of 16, but if both father and mother are entitled to life annuities, this 10 per cent is added only to the larger of the two annuities.

For persons retired during the transition period before the law becomes fully effective, those years with contributions for a minimum of 240 days are counted for one-thirtieth of the normal pension.

The minimum proportional pension is 600 francs ($23.52) a year.

Persons aged 60 to 65 at the time the law took effect, and subject to the law, may come under the act by paying the total amount of the annual premium for all risks for their class. After making contributions for five years covering not less than 240 days each, they become entitled to a pension of not less than 500 francs ($19.60) a year.

The insured may request liquidation on either the alienated or the reserved-capital plan of life annuities. In the former case he has two additional options: (1) To use the capital to purchase land or house or both, subject to the approval of his insurance fund; or (2) to reserve such part of the capital as may be necessary to settle one-half of his own annuity on surviving spouse aged not less than 55.

A separate system is set up for wage earners in agricultural and forestry occupations whose earnings do not exceed those for the different classes of workers in industry and commerce. Included among those subject to insurance, in addition to regular farm or forestry workers, are wage earners employed by rural artisans and contractors for threshing and other agricultural operations; the staffs of farmers' associations, cooperative societies, and other agricultural associations; and tenant farmers (*métayers*) who usually work alone or with the help of members of their family, and who do not own any part of the livestock at the time they enter into the agreement. The owners of property thus rented are considered as employers. The members of the family of a farmer who work with him and for him regularly without receiving remuneration in cash are not liable to compulsory insurance. The contribution, half of which is paid by the insured and half by the employer, proprietor, or tenant, consists of two parts, the contribution covering the risks of sickness, maternity, and death amounting to 10 francs per month, equally divided between the employer and the insured, while the contribution covering the old-age risk amounts to 2 per cent of the basic wage. For the purpose of fixing the latter contribution agricultural workers are divided into the same wage classes as workers in commerce and industry. A special bonus fund administered by the General Guaranty Fund covers the old-age risk. In order to be eligible for the old-age benefit an insured person must have paid his contributions for at least five years.

Invalidity benefits.—Eventual invalidity is considered as illness, up to six months, as provisional invalidity for five years thereafter, and as permanent invalidity if there is no recovery during these periods.

Persons who become members of the fund before age 30 receive not less than 40 per cent of the average annual salary. This rate is increased, up to 50 per cent, by 1 per cent for each year of service exceeding 30 years.

For persons who become members of the fund after age 30, the basic rate of 40 per cent is reduced by one-thirtieth per year or fraction of year between that age and the age at entrance. Six years' payments of not less than 240 days a year are necessary in order to qualify under this clause.

In general, as a permanent measure, the insured must have been affiliated to the social-insurance system for at least two years prior to injury or sickness in order to claim invalidity benefits.

The person receiving permanent invalidity pension has his old-age annuity reduced to that payable at the age attained at time of such permanent invalidity, so that both annuities are consolidated into one pension.

Death benefits.—A lump sum equal to 20 per cent of the average annual wage is paid to the legal representatives of the insured immediately after his death. The minimum payment is 1,000 francs ($39.20) and the maximum not more than two-thirds of the real salary earned by the insured at the time of his death.

Current or "Distribution" Risks

The various benefits payable out of current funds, not held for capitalization, are: Sickness, maternity, and maintenance of insurance during unemployment. In addition, there are special provisions for family charges, applying to all of these risks and to certain deferred risks as well.

Flexible Provisions

In article 33 of the law are various provisions against failure of any of the funds because of inadequate resources. In case of threatened shortage of a temporary nature, advances may be made from the general funds to the particular funds involved. In case of shortage from permanent causes, such as a fall in the interest rates which the funds can earn on their investments, adjustment may be made (1) by reducing the benefits, either from one or from several or all of the funds, in amounts not exceeding 20 per cent, or by rendering more rigorous the conditions required for obtaining particular benefits, (2) by increasing, in fractions not exceeding one-fourth in all, the rates of employers' and employees' contributions.

There is also a general provision in article 12, paragraph 8, to the effect that the total contributions, now calculated at 8 per cent of the salaries subject to the law, shall be increased to 9 per cent on April 1, 1934, and by one-eighth additional (it is understood that this will work out to 10 per cent without a fraction, for the sake of simplicity) on April 1, 1940.

Another provision of like import, which does not appear so clearly in any particular phrase of the law but pervades the entire system, is that the State's contributions, when subject to violent fluctuations from one year to another, may be reduced to perpetual annuities covered by uniform budget appropriations.

Administration

The administration of the law, which was, by the original text of 1928, to have been placed in the hands of an autonomous office, is entirely in the hands of the Ministry of Labor. This department does not, however, handle the actual cash. Cash transactions are made by the various local funds, the grouped reinsurance funds, the central funds, and the section of the treasury known as deposit and consignment office.

The insured may choose to affiliate with any one of a number of primary funds operating in each department of France. These funds (except those of labor organizations) may not retain the contributions to be capitalized but only those for current risks.

Primary funds may be organized by any society of natural or legal persons complying with the law of April 1, 1898, regulating societies or associations in general; by professional syndicates or associations thereof, regulated by the law of March 21, 1884; or by insurance societies (mutual insurance companies) or agricultural mutual reinsurance societies, regulated by the law of July 4, 1900. Such societies exist in all parts of France, but some of them are reluctant to take up social insurance because of the amount of bookkeeping involved.

New primary funds, without any reference to existing institutions, may be formed by a substantial number of insured, under regulations published by the Ministry of Labor. Upon their formation, they become subject to the law of April 1, 1898.

In addition to these optional primary funds there is a general primary fund obligatorily set up in each department, to which are affiliated all insured who have not chosen membership in some particular fund. The Departments of Seine and Seine-et-Oise combined, forming the Paris industrial district, have one fund. For the greater part these general primary funds are built around the partly dormant funds of the workmen's and peasants' insurance system, taking over their duties, personnel, and records.

All of these funds are subject to the approval of the Minister of Labor before commencing their operations under the law. They, like all of the higher funds, are endowed with civil personality, may sue members or third parties or similar or higher funds, to be sued by them. Like a person, they may become insolvent in case of shortage of money, but unlike a person they may not be rehabilitated after failure once their business has been liquidated. Funds and their officers, managers, or employees may be revoked for cause.

Expenditures of primary funds for overhead, salaries, and all other administrative purposes are limited to 3.5 per cent of the contributions received by them.

A General Guaranty Fund provides for reinsurance and also for supervision and control of the primary funds. The Augmentation and Solidarity Fund provides for invalidity pensions, family charges, and unemployment guarantee.

The annuity business, consisting of all capitalization other than that for members of labor-organization funds, is conducted by the National Old-Age Retirement Fund[26] in a separate section of its

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[26] See under "Voluntary insurance."

establishment, the separation being made so that the experience of the social insurance system, as distinguished from the general voluntary insurance system, may be available to Parliament each year when considering appropriations for the department of labor.

The central administration consists of a bureau of the Ministry of Labor, housed in a building which is the property of the State but which is occupied mainly by the primary fund of Seine and Seine-et-Oise.

Including the 86 departmental directors, the total permanent personnel of the bureau numbers 531, exclusively recruited from among the war administrations in process of liquidation. There are also 1,854 temporary auxiliary employees, recruited among war pensioned, recently pensioned civil employees desiring active work, and similar sources not conflicting with the requirements of either public or private enterprises for clerical help.

The present number of employees of the interdepartmental primary fund of Seine and Seine-et-Oise appears to be approximately double that of the bureau, but this fund has probably more than 2,000,000 members.

The present number (December, 1930) of authorized local funds is 795 distribution funds and 42 primary capitalization funds. The distribution funds may be classified as follows:

Departmental funds	86
Mutual-aid society funds	510
Societies other than mutual aid	72
Miscellaneous	127
Total	795

Of the 42 primary capitalization funds, 29 are organized by unions of mutual-aid societies (presumably these are funds of first reinsurance of current risks as well), 10 by individual mutual-aid societies, and 3 by authorized labor organizations.

Statistics of Operation

The law is too new (having gone into effect on July 1, 1930, for premium payments and on October 1, 1930, for the first indemnity on account of current risks) to discuss logically its present operation.

However, the obligatory recruitment of low-salaried employees has been completed in a very satisfactory manner. The Minister of Labor announced to the Senate on November 18, 1930, that, aside from agricultural employees optionally insured, 8,217,636 persons had become affiliated, of which 2,167,378 were in Seine and Seine-et-Oise. Additional applications, to the number of 800,000, had been received up to November 9, on which it had been found impossible to grant immediate affiliation, although some of these may be admitted after investigation.

The number of agricultural employees obligatorily insured was about 400,000, included in the total affiliations of more than 8,000,000 above mentioned. Those optionally insured were about 260,000, not included in the total.

The highest cost of administration is to be expected in the primary funds, namely, 3.5 per cent of contributions. The reinsurance and general funds are expected to operate on a much more economical basis, because of the large number of insured and the small number of individual accounts they will have to open, since their accounts are only with funds rather than with individuals.

The management of capitalized contributions will fall in perfectly with the present administration of voluntary insurance. The volume will be such that it ought to reduce the management cost below the figure of 3.5 per cent of contributions reported by the Old-Age Retirement Fund.

SOURCES FOR FRANCE: Loi portant réorganisation des services d'assurance des marins français (Journal Officiel. 3 janvier 1930); Loi du 16 avril 1930; Ministère de la Marne Marchande, Circulaire et instruction pour l'application de la loi du 1 janvier 1930 portant réforme du régime des pensions des marins du commerce; Caisse des Dépôts et Consignations—Caisse Nationale des Retraites pour la Vieillesse, Rentes immédiates, Rentes différées viagères, Rentes de survie viagères, 1 juillet 1930; Caisse des Dépôts et Consignations—Caisse Nationale d'Assurance en Cas de Décès, Assurance sur la vie, Assurances de dotation, 1 juillet 1930; Loi du 21 juillet 1909; Loi complétant les dispositions de la loi du 21 juillet 1909, relative aux conditions de retraite du personnel des grands réseaux de chemins de fer d'intérêt général; Chemins de Fer de l'État, Statut des retraités applicable à partir du 1 janvier 1929; Chemins de Fer de l'État, Réglement concernant le personnel affilié au régime de retraites de 1911, Paris, 1929; Direction des Chemins de Fer de l'État, Ordre du jour No. 2 (1930); Caisse Autonome de Retraites des Ouvriers Mineurs, Lois, decrets, conventions internationales et documents divers rélatifs au régime de retraites des ouviers mineurs, Paris, 1929; Ministère du Travail, Notice sur les assurances sociales, Paris, 1930; Ministère du Travail et de la Prévoyance Sociale, Les avantages de la loi des assurances sociales, Quelques exemples, Paris, 1930; Code du Travail avec supplement, Librairie Dalloz, Paris; Colin, Codes et Lois, Paris, 1925; Annuaire Général de la France, 1925; and Journal Officiel, issues of Nov. 23, 1926, Mar. 13, 1928, Oct. 10, 1929, Apr. 17, 1930, and Nov. 19, 1930.

Germany

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Wage Earners' Insurance System

Wage earners' invalidity and old-age insurance (*Invalidenversicherung*) was established by the act of June 22, 1889, though with very small benefit, which was somewhat increased by the act of July 13, 1899. Under the consolidated Federal social insurance laws (*Reichsversicherungsordnung*) of July 19, 1911, certain deficiencies of the system were eliminated and the scope of insurance was extended to cover survivors; that is, widower, widow, and orphans. After the inflation period the entire system was recodified by the act of December 15, 1924.

The prerequisite for wage earners with respect to this insurance is that they engage in remunerative occupation. No minimum age limit is set; neither is it of any importance whether the occupation is a principal or subsidiary one.

Coverage of System

Invalidity and old-age insurance is compulsory for the following classes of workers: (1) Laborers, journeymen, domestic servants; (2) home workers; (3) crews of German vessels employed in ocean traffic and inland shipping, except the ship's master, mates and engineers, supercargo or purser and his assistants, and any employees in similar superior or higher positions; and (4) assistants and apprentices in so far as they are not eligible for salaried employees' old-age insurance or are exempt therefrom under the law.

In addition, the Federal Minister of Labor may, in agreement with the Federal Council, extend the coverage to include small tradesmen and other tradespeople with no employees, or with only one, covered by old-age and invalidity insurance.

Exemptions.—The following are exempt from the provisions of the system: (1) Persons employed only to a limited extent, especially casual workers; (2) persons receiving free maintenance by way of compensation; (3) invalids, or persons drawing benefit under the invalidity and old-age insurance or widow's benefit under the salaried employees' old-age insurance system; (4) all employees of the Federal Government, States, local governments, and certain other public establishments; and (5) any other persons to whom equivalent invalidity and old-age and survivors' benefit of some kind is already assured.

Contributions

Formerly, contributions, irrespective of actual financial requirements, were fixed at such high rates that they not only covered current expenditures, but also permitted the accumulation of extensive surpluses. The purpose of the system was to avoid subsequent increase in contributions commensurate with the gradual swelling of benefit payments.

The schedule of contributions in effect to-day came into force in 1927 and is calculated on the assessment basis (so-called " Umlageverfahren," i. e., allocation among the total membership of the sum total of all estimated yearly expenditures including additions to reserves). These rates were expected to cover the average annual expenditures for a 5-year period (until 1932), but the adverse economic development of the last few years has upset all previous calculations. The Federal Government pays a contribution to each benefit amounting in 1929 to 72 marks ($17.15) [27] per annum for invalidity and widow's benefit, respectively, and 36 marks ($8.57) for orphan's benefit. Each contribution of an insured person covers a claim to benefits for himself and his survivors.

The contributions, which are graduated according to a scale of wage groups, are made by wage earners and employers in equal shares, except as regards persons earning 6 marks ($1.43) or less per week. The contributions required for the latter are paid entirely by the employer. The contributions are made by way of stamps affixed to cards provided for that purpose, and canceled by the employer. The stamps are purchased at the various post offices.

TABLE 34.—*Weekly contributions of specified wage groups in Germany*

[Conversions into United States currency on basis of mark=23.8 cents]

Wage group	Weekly wages in specified group		Weekly contributions	
	German currency	United States currency	German currency	United States currency
	Marks		*Marks*	*Cents*
Group I	Up to 6	Up to $1.43	0.30	7.1
Group II	6-12	$1.43- 2.86	.60	14.3
Group III	12-18	2.86- 4.28	.90	21.4
Group IV	18-24	4.28- 5.71	1.20	28.6
Group V	24-30	5.71- 7.14	1.50	35.7
Group VI	30-36	7.14- 8.57	1.80	42.8
Group VII	36	8.57	2.00	47.6

The law permits certain classes of persons to participate in invalidity and old-age insurance voluntarily; they must, however, decide to do so prior to the age of 40 and must pay the whole amount of the contributions, including the employer's share. Such voluntary participants include: (*a*) Small tradespeople who as a rule employ no wage earners liable to invalidity and old-age insurance, or not more than two; and (*b*) persons exempted from liability

[27] Conversions into United States currency on basis of mark equals 23.8 cents.

to insurance on account of their receiving free maintenance instead of monetary compensation in that amount.

Furthermore, an insured person may continue to make contributions after having ceased to perform remunerative work, in which case, also, he must pay the full amount of the contributions from his own funds.

Benefits

Payment of benefits is contingent upon payment of a minimum number of weekly contributions—200 if at least 100 weeks' contributions were made while the insured performed remunerative work subject to invalidity and old-age insurance, and 500 in the case of persons voluntarily insured.

Full calendar weeks, during which the insured is unable to work, up to a total of one year, are considered as weeks of contribution even though no contributions may have been made during that period.

The benefits paid include invalidity, old-age, and survivors' benefits; in addition, the insured may be accorded free medical treatment or cures in watering places or other health resorts.

Invalidity and old-age benefits.—The invalidity benefit is designed to compensate the insured for loss of his working capacity. Hence it is paid to any insured person, irrespective of age, who has become an invalid on account of sickness or any other kind of ailment. The term " invalid " is defined under the law to mean a person who is unable to earn one-third of the wages habitually paid to physically sound persons of his class and of similar training in the same locality, for work performed in accordance with his strength and ability and which can be reasonably expected of him in view of his training and previous occupation.

If the invalidity is permanent, payment of benefit commences at once; otherwise not until after 26 weeks. Until the invalidity benefit falls due the insured is dependent upon benefit paid from the health insurance funds.

Old-age benefits are paid to all persons having reached the age of 65, whether or not they are incapacitated. These benefits are paid in addition to the wages, if any, of the recipients, but are not increased if the insured subsequently become invalids.

If the beneficiary has any children, the invalidity or old-age benefit is increased by a children's allowance amounting to 120 marks ($28.56) a year for each child until it reaches the age of 15 years (21 years if it is receiving school or trade education).

Survivors' benefits.—Survivors' benefit is paid if the deceased at the time of his death has made the requisite minimum number of weekly contributions and if his title to benefit has been maintained. Persons entitled to survivors' benefit are the insured person's widow, the widower, and the orphans.

The widow is accorded benefit if she has attained the age of 65, or if she is permanently incapacitated or has been incapacitated uninterruptedly for more than 26 weeks. Widows capable of earning a living, i. e., who are able in the same measure as unmarried women to provide for themselves, do not receive any benefit. If they have children they receive a contribution to household expenses by way of the orphan's allowance. If a widow remarries she receives a lump sum equal to her annual benefit.

A widower is paid benefit only under exceptional circumstances, namely, if he is incapable of earning a living and is indigent, and if his deceased wife has supported the family wholly or predominantly from her earnings. The amount of benefit is the same as that paid a widow.

The children receive the orphans' allowance up to the age of 15 years, and, if afflicted with an ailment, beyond this time limit. The term "children" is defined by the law to include legitimate children, children declared legitimate, adopted children, the illegitimate children of the insured female or male parent provided the fatherhood has been established, also stepchildren and grandchildren if they were supported predominantly by the insured person before the presumption of claim to benefit payment arose.

Amount of benefits.—Benefits consist of a basic amount, plus a percentage of contributions made after specified dates, plus a fixed State contribution. If the beneficiary is residing abroad the State contribution is withheld. The basic amount is fixed at 168 marks ($39.98) annually, for all wage classes. The additional benefit consists of 20 per cent of all contributions made since January 1, 1924, plus a certain allowance for contributions made in paper marks prior to January 1, 1924 (by way of revaluation).

Since October 1, 1929, the average annual benefits have been as follows:

TABLE 35.—*Average annual benefits under wage earners' insurance system in Germany*

[Conversions into United States currency on basis of mark=23.8 cents, pfennig=2.38 cents]

Item	Old-age and invalidity benefit	Survivors' benefit	
		Widows or widowers	Orphans
State contribution	72 marks ($17.13)	72 marks ($17.13)	36 marks ($8.57).
Basic amount	168 marks ($39.98)	0.6 of basic amount of invalidity benefit.	0.5 of basic amount of invalidity benefit.
Additional amount	20 per cent of contributions made since Jan. 1, 1924; and for each weekly contribution made in wage Classes I-V up to Jan. 1, 1924, 4, 8, 14, 20, and 30 pfennigs respectively (0.95, 1.90, 3.33, 4.76, 7.14 cents).	0.6 of additional amount to which insured would have been entitled.	0.5 of additional amount to which insured would have been entitled.

Medical treatment.—Aside from the statutory benefit, other specific benefits may be granted; the insured, however, has no claim thereto. Such benefit consists in the first instance of free medical treatment of the insured and his survivors in order to prevent permanent invalidity or to restore the working capacity; if the insured refuses to take treatment he may be compelled to do so by withholding from him the invalidity benefit for a certain period. This phase of activities on the part of the insurance administration has gained enormously in importance in recent years and has become a vital factor in the fight against tuberculosis and venereal diseases. In addition, the insurance offices may appropriate funds, subject to the consent of the supervisory authority, for the purpose of preventing premature invalidity or improving sanitary conditions among the insured. Thus, considerable funds have been invested in housing relief, land settlement, the construction of hospitals and convalescent homes, public bathing establishments, and other facilities in the interests of public health. The insurance administration may also place beneficiaries in invalids' or orphans' homes and may use for this purpose all or part of the amount of benefit due them.

The total number of insured who were accorded medical treatment from 1897 to 1925 (1923 and 1924 being omitted because inflation years) was 2,700,000, of whom about 840,000 were treated for tuberculosis of the lungs and larynx. In 1913 the number of insured under treatment was around 154,000; in 1925, 210,500; in 1926, 268,069; in 1927, 306,607; and in 1928, 371,844.

In 1926 more than half of the total expenditures were disbursements for treatment of consumptives. After a decline in 1927, both the number of persons treated for tuberculosis and the proportionate cost of treatment rose in 1928.

Figures showing the extent and cost of medical treatment in 1913 and 1926 to 1928 follow:

TABLE 36.—*Number of persons treated and cost of treatment under German wage earners' insurance system in specified years*

[Conversions into United States currency on basis of mark=23.8 cents]

Year	Number of persons taking treatment			
	Total	Continuous treatment		Intermittent treatment
		For tuberculosis	For venereal diseases	
1913	101,955	52,534		51,681
1926	114,242	49,039	13,627	153,827
1927	120,853	43,410	13,497	185,754
1928	147,080	44,273	18,131	224,764
	Cost of treatment			
1913	$7,563,878	$4,928,980		$751,128
1926	9,961,490	6,147,778	$235	1,974,686
1927	11,114,124	6,125,168	269,416	2,434,978
1928	14,014,154	7,125,244	404,362	3,147,074

The average cost of treatment per person was 222 marks ($52.84) in 1913, 186 marks ($44.27) in 1927, and 194 marks ($46.17) in 1928.

Of the total cost in 1928, namely 72,100,000 marks ($17,159,800), only 50,300,000 marks ($11,971,400) was expended from invalidity and old-age insurance funds, the balance of 21,800,000 marks ($5,188,400) being paid from other social insurance funds.

The combined workmen's insurance organizations (State insurance offices, the National Mining Federation and Federal railroad workers' insurance offices) now own more than 114 sanatoriums and homes for the treatment of the sick, with sleeping accommodations for 15,513 persons (as against 9,163 in 1913). Besides, they may avail themselves of sleeping accommodations in 1,060 other establishments in health resorts.

Administration

The insurance system is managed by self-governing district insurance offices (*Versicherungsanstalten*) which have jurisdiction over local districts and are attached to the State or local governments. They are under the supervision of the Federal Insurance Office (*Reichsversicherungsanstalt*). There exist in all, 29 State insurances offices (*Landesversicherungs-Anstalten*) and 6 special offices. Each State office is managed by a board and a committee. The managing board legally represents the insurance office and conducts the current business. It has the character of a public authority and consists partly of official members and partly of honorary members representing employers and insured. Its decisions depend upon a majority of the votes of the honorary members. The committee consists in equal proportion of representatives of employers and insured, elected on the principle of proportionate representation.

Capital investments by the insurance offices are subject to statutory regulations and are confined to designated kinds of investment. The investment must be made at interest and as far as possible in a manner to insure stability of value.

Statistics of Operation

The actual number of persons covered by the invalidity and old-age insurance system is not known. It is estimated that the number at the end of 1929 was around 18,000,000, of whom about 10,800,000 were males and 7,200,000 females.

During the year ending December 31, 1929, about 3,227,000 persons were paid benefit. The number of persons receiving benefit in given years during the period 1914 to 1930 was as follows:

TABLE **37**.—*Number of persons receiving benefit under German wage earners' insurance system in specified years, 1914 to 1930*

Year	Number of beneficiaries				
	Total [1]	Invalidity pensioners	Old-age pensioners	Widows	Orphans
1914	1, 152, 000	998, 000	87, 000	12, 000	38, 000
1920	1, 865, 000	962, 000	233, 000	82, 500	483, 000
1924	2, 095, 000	1, 230, 000	137, 000	157, 000	525, 000
1928	2, 972, 000	1, 767, 000	66, 000	334, 000	510, 000
1929	3, 096, 000	1, 888, 000	59, 000	389, 000	736, 000
1930	3, 250, 000	1, 998, 000	51, 000	487, 000	691, 000

[1] This is not the sum of the items, but the total number of beneficiaries under the system.

The average amount of benefit per person per month for specific years has been as follows:

Table 38.—*Average amount of monthly benefits under German wage earners' insurance system, 1926 to 1929*

[Conversions into United States currency on basis of mark=23.8 cents]

Year	Invalidity benefit including children's allowance		Widows' benefit		Orphans' benefit	
	German currency	United States currency	German currency	United States currency	German currency	United States currency
	Marks		*Marks*		*Marks*	
1926	24.92	$5.93	14.27	$3.40	10.02	$2.38
1927	27.45	6.53	16.84	4.01	11.68	2.78
1928	31.63	7.53	20.75	4.94	13.75	3.27
1929 [1]	33.54	7.98	21.70	5.16	14.17	3.37

[1] For the first half year, showing upward trend.

Receipts and expenditures.—Receipts and expenditures for the year ending December 31, 1929, showed a net surplus of 305,000,000 marks ($72,590,000) as against 396,000,000 marks ($94,248,200) in 1928.

Detailed statistics concerning receipts and expenditures in 1913 and for each year from 1926 to 1929 follow:

Table 39.—*Receipts and expenditures under German wage earners' insurance system, 1913 and 1926 to 1929*

[Conversions into United States currency on basis of mark=23.8 cents]

Receipts

Year	Total		Amount received from—			
			Contributions		Federal grants	
	German currency	United States currency	German currency	United States currency	German currency	United States currency
	Marks		*Marks*		*Marks*	
1913	419,300,000	$99,722,714	290,000,000	$60,020,000	58,500,000	$13,923,000
1926	960,000,000	228,480,000	659,600,000	156,843,428	184,500,000	43,793,190
1927	1,211,000,000	288,218,000	875,200,000	208,250,476	210,600,000	49,981,428
1928	1,522,000,000	362,236,000	1,076,000,000	256,088,000	320,300,000	76,160,714
1929 [1]	1,605,000,000	381,990,000	1,098,000,000	261,324,000	392,000,000	93,296,000

Expenditures

Year	Total		Amount spent for—					
			Benefits		Voluntary services		Administrative expenses	
	German currency	United States currency	German currency	United States currency	German currency	United States currency	German currency	United States currency
	Marks		*Marks*		*Marks*		*Marks*	
1913	243,000,000	$57,834,000	188,200,000	$44,744,476	29,900,000	$7,116,200	24,400,000	$5,807,200
1926	802,400,000	190,876,952	709,400,000	168,742,952	50,500,000	12,019,000	37,600,000	8,948,800
1927	917,900,000	218,248,142	812,300,000	193,256,714	60,100,000	14,303,800	43,400,000	10,329,200
1928	1,126,200,000	267,988,476	991,900,000	235,860,142	78,200,000	18,611,600	52,200,000	12,423,600
1929 [1]	1,300,000,000	309,400,000	1,160,000,000	276,080,000	88,000,000	20,944,000	52,000,000	12,376,000

[1] Provisional figures.

Figures for 1930 are not yet available except for total contributions and total benefits for the period January to September amounting to 741,100,000 marks ($176,382,800) and 933,600,000 marks ($222,196,800), respectively.

Net assets on December 31, 1928, aggregated 1,278,000,000 marks ($304,164,000) and on December 31, 1929, 1,568,000,000 marks ($373,184,000).

Of the administrative expenses for the year ending December 31, 1929, totaling 52,000,000 marks ($12,376,000), wages and salaries account for 32,000,000 marks ($7,616,000), equipment and supplies for 7,000,000 marks ($1,666,000), and legal proceedings for settlement of appeals or complaints for 1,600,000 marks ($380,800).

Figured on the basis of an assumed total number of insured of 18,000,000, the per capita administrative expenses in 1929 amounted to 2.90 marks (69 cents). Administrative expenses formed about 4.3 per cent of the total receipts during that year. Similar calculation for the year 1930 is not possible as the administrative expenses for that year are not yet published.

The following tables show the proportionate share of the government and the insurance system in the total cost of benefits during the years 1924 to 1929.

TABLE 40.—*Share of Government and insurance system in total cost of benefits granted under wage earners' insurance system in Germany, 1924 to 1929*

[Conversions into United States currency on basis of mark=23.8 cents]

Year	Cost borne by insurance system		Amount borne by Government		Total cost of benefits	
	German currency	United States currency	German currency	United States currency	German currency	United States currency
	Marks		*Marks*		*Marks*	
1924	275,000,000	$65,450,000	96,000,000	$22,848,000	371,000,000	$88,298,000
1925	427,000,000	101,626,000	162,000,000	38,556,000	589,000,000	140,182,000
1926	575,000,000	136,850,000	185,000,000	44,030,000	760,000,000	180,880,000
1927	662,000,000	157,556,000	210,000,000	49,980,000	872,000,000	207,536,000
1928	750,000,000	178,500,000	320,000,000	76,160,000	1,070,000,000	254,660,000
1929 [1]	845,000,000	201,110,000	380,000,000	90,440,000	1,225,000,000	291,550,000

[1] Provisional figures, partly estimated.

Salaried Employees' Insurance System

Salaried employees' old-age insurance (*Angestelltenversicherung*) was established by the law of December 20, 1911, effective January 1, 1913, and recodified in the law of May 28, 1924, which in turn has been amended at various times in subsequent years. The system is similar to that of wage earners' invalidity and old-age insurance; it is compulsory for all groups of salaried employees with annual salaries up to 8,400 marks ($2,000), the maximum limit having been 6,000 marks ($1,428) until September 1, 1928.

Coverage of System

The following are covered by the system: (1) Salaried employees in leading positions; (2) shop superintendents, foremen, and other employees in similar superior positions; (3) office clerks and other commercial employees, provided they are not engaged exclusively in messenger work, cleaning up, etc., including office apprentices and workshop clerks; (4) practitioners and assistants in drug stores; (5) actors and actresses and musicians, irrespective of the artistic value of their performances; (6) persons employed in professions connected with education, tuition, care of the sick, and public welfare work; (7) ship's masters, mates and marine engineers, supercargoes or pursers and their assistants, and other members of the crews of German seagoing vessels and of the crews of German vessels employed in river and canal shipping, holding similar superior or higher positions; (8) independent teachers, governesses, and musicians practicing their profession without the help of any assistants.

In addition, the following classes of persons may participate voluntarily in the insurance but can exercise this right only up to the age of 40: (1) Persons carrying on for their own account work of a nature similar to that performed by salaried employees liable to insurance; (2) persons who normally would be liable to insurance but are exempt for the following reasons: (*a*) If their annual salary exceeds the maximum salary limit for compulsory old-age insurance, 8,400 marks ($2,000); (*b*) if they receive only free board and lodging as compensation for services rendered; (*c*) if they are being employed only temporarily; or (*d*) if they are doing remunerative work as part of their professional training.

If an insured person ceases to perform remunerative work subject to insurance, and if he has made compulsory contributions for at least four months and is not incapacitated, he may continue making contributions from his own funds in order to maintain his claim to benefit. In that case he need not adhere to the rate of contribution corresponding to his previous salary class but may pay a rate applying to a lower or the lowest salary class. In order to maintain his claim to insurance benefit the insured must make not less than eight monthly voluntary contributions each year during the second to eleventh calendar years of the contributed period and not less than four monthly contributions during any ensuing calendar year.

Exemptions.—Aside from the exemptions stated above under (2), persons who would otherwise be liable to insurance are exempt if they are incapacitated or draw old-age, widowers' or widows' benefit under salaried employees' or workmen's old-age insurance, and if they start remunerative work after having reached the age of 60.

Contributions

The contributions are calculated on the basis of the so-called allocation of estimated annual expenditures (*Umlageverfahren*) among the total membership, including amounts turned into reserves. The rates are not revised each year but are calculated so as to meet estimated requirements for a number of years. The contributions apply to all persons alike, whether male or female, married or single, old or young. They are graduated according to monthly salaries as follows:

TABLE 40a.—*Salary classes and monthly contributions under German salaried employees' insurance system*

[Conversions into United States currency on basis of mark=23.8 cents]

Salary class	Monthly salary		Monthly contributions	
	German currency	United States currency	German currency	United States currency
	Marks		*Marks*	
Class A	Up to 50	Up to $11.90	2	$0.48
Class B	50-100	$11.90- 23.80	4	.95
Class C	100-200	23.80- 47.60	8	1.90
Class D	200-300	47.60- 71.40	12	2.86
Class E	300-400	71.40- 95.20	16	3.81
Class F	400-500	95.20-119.00	20	4.76
Class G	500-600	119.00-142.80	25	5.95
Class H	600 and over.	142.80 and over.	30	7.14
Class J [1]			40	9.52
Class K [1]			50	11.90

[1] Classes J and K are open for voluntary contributions only.

The contributions are made jointly by the insured and employers except as regards persons drawing a monthly salary of not more than 50 marks ($11.90) and apprentices whose contributions are paid entirely by the employer. As in the case of wage earners, the contributions are made by way of stamps, which must be canceled by the employer and pasted on cards issued for each employee.

A minimum number of monthly contributions is required before the insured can claim benefit. The statutory number of "contributed months" is normally 60. If less than 30 compulsory contributions were made, the period is extended to 90 contributed months.

Contrary to the practice in wage earners' insurance, periods of illness during which no contributions were made are not taken into account in computing the months of contribution.

Refund of contributions.—Contributions made by an insured female can be refunded in accordance with statutory regulations under the conditions and within the limits stated below:

(*a*) If an insured female marries after having made the required number of contributions and if she would be, within three years from the date of her marriage, automatically exempted from the obligation of participating in the insurance by giving up her work, she is entitled to a refund of one-half the total amount of contributions made by her from January 1, 1924, to the date on which she became exempt from the obligation to participate in the insurance.

(*b*) If an insured female dies after having fulfilled the contribution requirements but before becoming eligible for old-age benefit, and no claim to survivors' benefit exists, the relatives in the following order—husband, children, father, mother, sisters, or brothers—may claim a refund of one-half the amount of contributions made by the deceased between January 1, 1924, and the date of her death, provided the relatives concerned have been members of the same household as the deceased or have been supported substantially by her.

Benefits

Old-age benefit.—Old-age benefit is paid to the insured upon reaching the age of 65 or in case of disability, provided the required number of contributions (60) have been made and the claim to benefit maintained. Under an amendment dated March 7, 1929, old-age benefit will be paid until the end of 1933, also to persons 60 years of age who have been unemployed for at least one year, such persons being under the law considered as disabled. Disability, as applied to salaried employees, is construed to mean a decline of earning capacity, either through bodily ailment or an impairment of physical and mental faculties, to less than one-half [28] of that of a physically and mentally sound insured of similar professional training and equivalent knowledge and experience. The law distinguishes between permanent and temporary disability. As regards the former, benefit is paid immediately; and as regards the latter, benefit is paid only if the disability has lasted over 26 weeks, payment being made beginning with the twenty-seventh week. If the beneficiary has any children, the amount of benefit is increased by an allowance of 120 marks ($28.56) annually for each child up to the age of 15 (21, if the child is receiving school or trade education).

Survivors' benefit.—Payment of survivors' benefit is contingent upon the deceased having made contributions for the statutory minimum period and having maintained his claim up to the time of his death. Survivors' benefit is paid to the widow, to the widower under certain conditions, and to the children. The widow receives benefit upon her husband's death, irrespective of whether she is still capable of earning a living or whether she has not yet reached the age of 65.[29] If she remarries she receives a lump sum equal to three-fourths of the amount of her annual benefit. The widower receives benefit if he is disabled and needy and if his wife has provided for the family, wholly or predominantly, from her earnings.

Orphans' benefit is paid up to the age of 15, or, if receiving school or trade education, up to the age of 21; in case of illness, benefits are extended beyond this age limit.

Medical treatment.—The Federal Insurance Office (*Reichsversicherungsanstalt*) may, at its discretion, accord the insured free medical treatment in order to prevent disability from sickness, or if it can be reasonably expected that such treatment will restore the working capacity of a person already incapacitated. The insured, however, has no legal claim to such benefit. This phase of insurance is built up on lines similar to the wage earners' insurance.

In 1929, 117,131 applications for treatment were filed, including applications for part of the cost of dental operations, etc. Of the remaining applications, 63.2 per cent were granted for treatment

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[28] As compared with less than one-third, under the wage earners' insurance system.

[29] Contrary to the practice in wage earners' insurance where widows still able to provide for themselves do not receive any benefit.

of consumptive and other patients in health resorts and watering places. Since 1928 free treatment in health resorts has been granted also to the insured's consumptive wife or husband who otherwise does not participate in the insurance; in 1929, treatment was granted in 576 such cases. In addition, 5,164 applications (out of a total of 7,366) for part payment of children's treatment were approved during that year.

The Federal Insurance Office for Salaried Employees (*Reichsversicherungsanstalt für Angestellte*) now has at its disposal, for the treatment of consumptives alone, accommodations in 65 sanatoriums and similar establishments; and for the treatment of other diseases or ailments 50 sanatoriums in health resorts and bathing facilities in 9 watering places.

Amount of benefit.—All benefits consist of a basic rate and supplementary amounts, but, unlike the practice in the wage earners' insurance system, the State neither makes a contribution nor pays the administrative expenses. The basic amount is set at a standard rate of 480 marks ($114.24) per annum for all salary classes alike. The supplementary benefit consists of 15 per cent of all legal contributions made since January 1, 1924, and (by way of revaluation of the depreciated paper mark contributions) a fixed small portion of the contributions made between January 1, 1913, and July 31, 1921. How the system works out may be seen from the following table:

TABLE 41.—*Average annual old-age benefits*[1] *under German salaried employees' insurance system*

[Conversions into United States currency on basis of mark=23.8 cents]

Salary class	Average annual benefit[1]											
	After 10 years' contributions				After 20 years' contributions				After 30 years' contributions			
	Unmarried persons		Married persons with 2 children		Unmarried persons		Married persons with 2 children		Unmarried persons		Married persons with 2 children	
	German currency	United States currency	German currency	United States currency	German currency	United States currency	German currency	United States currency	German currency	United States currency	German currency	United States currency
	Marks		*Marks*		*Marks*		*Marks*		*Marks*		*Marks*	
A	516	$122.81	600	$142.80	552	$131.38	600	$142.80	588	$139.94	600	$142.80
B	552	131.38	792	188.50	624	148.51	864	205.63	696	165.65	936	222.77
C	624	148.51	864	205.63	768	182.78	1,008	239.90	912	217.06	1,152	274.18
D	696	165.65	936	222.77	912	217.06	1,152	274.18	1,128	268.46	1,368	325.58
E	768	182.78	1,008	239.90	1,056	251.33	1,296	308.45	1,344	319.87	1,584	376.99
F	840	199.92	1,080	257.04	1,200	285.60	1,440	342.72	1,560	371.28	1,800	428.40
G	930	221.34	1,170	278.46	1,380	328.44	1,620	385.56	1,830	435.54	2,070	492.66
H	1,020	242.76	1,260	299.88	1,560	371.28	1,800	428.40	2,100	499.80	2,340	556.92
J	1,200	285.60	1,440	342.72	1,920	456.96	2,160	514.08	2,640	628.32	2,880	685.44
K	1,380	328.44	1,620	385.56	2,280	542.64	2,520	599.76	3,180	756.84	3,420	813.96

[1] Including basic benefit and 15 per cent of all contributions made since Jan. 1, 1924.

To the above rates are added the following specified rates per monthly contributions made from January 1, 1913, to July 31, 1921, as follows:

	Marks	
Class A	0.50	($0.12)
Class B	.75	($0.18)
Class C	1.00	($0.24)
Class D	1.25	($0.30)
Class E	2.00	($0.38)
Class F	2.50	($0.59)
Class G	3.00	($0.71)
Class H	4.00	($0.95)
Class J	5.00	($1.19)

Widows' and widowers' benefit amounts to six-tenths and orphans' benefit to five-tenths, each, of the old-age benefit, exclusive of children's allowance.

Administration

The system is administered by the Federal Insurance Office for Salaried Employees, which has a legal status. It has the function of a public authority and is under the supervision of the Federal Ministry of Labor. The organs of the insurance office are the board of directors, the administrative board, and confidential agents.

The board of directors represents the Federal Insurance Office, handles all current matters of administration, except in so far as the advisory board cooperates in the management. It consists of a president, a vice president, one other official member, and three representatives each of the insured and employers acting as honorary members. The board of directors meets once in a fortnight. The president and other official members of the board of directors, as well as the officials of the regular staff; are appointed for life by the President of Germany, at the proposal of the Federal council and after consultation with the administrative board. They have the same rights and duties as civil employees. The other officials and employees are appointed by the board of directors. On December 31, 1929, the officials and employees numbered 1,146, against 1,032 the previous year.

The administrative board decides upon the budget estimate, except as regards the pay roll for higher-class officials. It approves the annual financial statement and the balance sheet and has the right to verify receipts and expenditures and any documentary evidence connected therewith; it elects the honorary members of the board of directors and the coadvisers of the insurance offices—the superior insurance office (*Oberversicherungsamt*) and the Federal Insurance Office (*Reichsversicherungsanstalt*). The administrative board consists of the president of the board of directors, or his representative, who acts as chairman, and of at least 12 representatives each of the insured and their employers. The representatives of the insured are selected on the principle of proportionate representation from lists of names submitted by economic organizations of employers and employees. The management is regulated by a business schedule drawn up by the administrative board in agreement with the Federal Ministry of Labor.

The confidential agents represent the honorary outside organizations. They elect the members of the advisory board. They can also be called upon to assist the Federal Insurance Office and other insurance offices in the performance of their duties.

Statistics of Operation

In 1929 there were 3,400,000 insured salaried employees (estimated figure), and in 1930, 3,500,000. The number of persons receiving benefit and the amount of benefit per person on specified dates were as follows:

TABLE 42.—*Number of beneficiaries and average monthly benefits under German salaried employees' insurance system on specified dates*

[Conversions into United States currency on basis of mark=23.8 cents]

Item	Dec. 31, 1927	Dec. 31, 1928	Dec. 31, 1929	Dec. 31, 1930
Number of beneficiaries:				
Old-age pensions	62, 293	74, 787	101, 516	125, 576
Widows' pensions	39, 727	46, 792	55, 845	63, 557
Orphans' benefits	27, 542	30, 767	34, 910	37, 233
Average monthly benefits:				
	Marks	*Marks*	*Marks*	*Marks*
Old-age pension, excluding children's allowance	[1] 68. 00 ($16. 18)	82. 60 ($19. 66)	83. 20 ($19. 80)	81. 45 ($19. 39)
Widows' pension	[1] 38. 00 ($9. 04)	45. 15 ($10. 88)	47. 25 ($11. 25)	48. 74 ($11. 60)
Orphans' benefit	[1] 32. 00 ($7. 62)	37. 50 ($8. 93)	39. 35 ($9. 37)	40. 62 ($9. 67)

[1] Data are as of Mar. 31, 1928.

The decrease in the average old-age benefit in 1930 was due to the increased number of beneficiaries who reached the age of 60 and had been without employment for at least one year. This class of persons, according to the law of March 7, 1929, is considered as "disabled" and prematurely entitled to the old-age benefit.

The monthly amount of old-age benefit paid under the law of March 7, 1929, to persons 60 years of age who have been without employment uninterruptedly for at least one year is considerably lower than the normal amount of benefit, averaging on December 21, 1929, 69.23 marks ($16.48).

The following table shows receipts and expenditures for 1928 and 1929:

TABLE 43.—*Receipts and expenditures of German salaried employees' insurance system, 1928 and 1929*

[Conversions into United States currency on basis of mark=23.8 cents]

Item	1928		1929	
	German currency	United States currency	German currency	United States currency
	Marks		*Marks*	
Receipts	406, 500, 000	$96, 750, 000	496, 000, 000	$118, 048, 000
Contributions	317, 180, 000	75, 488, 840	372, 400, 000	88, 631, 000
Expenditures	138, 200, 000	32, 891, 600	186, 200, 000	44, 315, 600
Benefits	101, 040, 000	24, 047, 520	139, 700, 000	33, 248, 600
Medical treatment and sanitary measures	19, 000, 000	4, 522, 000	23, 500, 000	5, 593, 000
Lump-sum compensation and other nonrecurring expenditures	4, 000, 000	952, 000	5, 600, 000	1, 332, 800
Administrative expenses	11, 300, 000	2, 689, 400	12, 100, 000	2, 879, 800
Loss on securities [1]	2, 800, 000	666, 400	5, 100, 000	1, 213, 800
To reserves	268, 300, 000	63, 855, 400	309, 800, 000	73, 732, 400
Total reserves	1, 000, 500, 000	238, 119, 000	1, 310, 300, 000	311, 851, 400

[1] The insurance office is required by law to invest 25 per cent of its surplus in Federal and State bonds which have considerably declined in value in recent years.

Of the administrative expenses, totaling in 1929, 12,100,000 marks ($2,879,800), wages and salaries account for 7,700,000 marks ($1,832,600), and equipment and supplies for 1,200,000 marks ($285,600). The corresponding figures for 1928 were: Wages and salaries, 7,500,000 marks ($1,785,000), and equipment and supplies, 1,080,000 marks ($257,040), a total of 11,300,000 marks ($2,689,400).

Based on an estimated total number of insured in 1929 of 3,400,000, the per capita cost of administration for that year was 3.50 marks (83 cents). The cost of administration amounted in 1929 to 2.5 per cent of the total receipts of 496,000,000 marks ($118,048,000).

In 1930 the fund had receipts of 547,800,000 marks ($130,376,400), of which 385,100,000 marks ($91,653,800) were from contributions. Expenditures for the year aggregated 224,700,000 marks ($3,-478,600), of which 175,800,000 marks ($41,840,400) were paid out in benefits, 12,800,000 marks ($3,046,400) went for administrative costs, and 323,000,000 marks ($76,874,000) were placed in the reserves. As in 1929, the cost of administration was 2.5 per cent of the total receipts.

Bank Employees' Insurance System

Old-age insurance of bank employees in Germany is handled by the Bank Employees' Insurance Association (*Beamten-Versicherungs-Verein für das Deutsche Bank- und Bankiergewerbe*) at Berlin. This association was established in 1909, two years before compulsory old-age insurance for salaried employees was inaugurated in Germany by the act of December 20, 1911. Bank employees' old-age insurance has nevertheless remained a separate institution, as, according to paragraph 363 of the act of December 20, 1911, participation of salaried employees in private old-age insurance organizations under certain specified conditions is regarded as equal to participation in compulsory Government insurance.

The conditions which are laid down, for private insurance organizations, in paragraphs 363–374 of the act of December 20, 1911, governing salaried employees' old-age insurance (republished on December 15, 1924) are the following: The membership must include all salaried employees, as far as they are liable to insurance, in the service of the enterprise which the respective private insurance organization represents; benefits and contributions must not be lower than the statutory rates applying to other categories of salaried employees; compliance with this provision is controlled by the appropriate supervisory authority; if the employees pay higher contributions, the employers must pay the same amount.

Coverage of System

Except for the members of managing boards, all employees, including directors and managing clerks, are covered by the insurance; there is no restriction as to salary.[30]

[30] The income limit up to which persons are liable to participation in salaried employees' compulsory old-age insurance is 8,400 marks a year.

Contributions

The rate of contributions on an average is from 50 to 70 per cent higher than under the regular salaried employees' old-age insurance system. Of the contribution the employers voluntarily pay 55 per cent, while the employees pay 45 per cent.

The waiting time, rates of benefits, as far as the statutory claim is concerned, are calculated according to the pertinent legal provisions. The statutory benefits are fixed by the Federal Insurance Office for Salaried Employees (*Reichsversicherungsanstalt für Angestellte*), from whose decision, however, appeal can be made by the private association. The Federal Government determines the amount of the latter's assets which shall be invested in Federal and State bonds issued by State credit institutions; this amount shall, however, not exceed 25 per cent of the association's reserve for benefit payments.

Benefits

The benefits paid under this system are old-age, disability, and survivors' benefits.

To be eligible for the old-age benefit, the insured must have attained the age of 65 and have made 60 months' contributions.

There is no age requirement in case of disability, but the insured must have paid 60 months' contributions and be unable by reason of mental or bodily disease to fill a position in accordance with his education and previous activity. He is considered to be totally incapacitated if his incapacity amounts to 50 per cent.

Pensioners are divided into eight classes according to their salaries. The basic pension is 840 marks ($199.20). For each month of contribution, however, a supplementary sum, in addition to the basic pension, is paid according to the class to which the pensioner belongs. The amount of these supplements is shown below.

	Per month
Class 1	30 pfennigs ($0.07)
Class 2	90 pfennigs ($0.21)
Class 3	180 pfennigs ($0.43)
Class 4	300 pfennigs ($0.71)
Class 5	420 pfennigs ($1.00)
Class 6	600 pfennigs ($1.43)
Class 7	800 pfennigs ($1.90)
Class 8	1,100 pfennigs ($2.62)

In the case of the death of a male insured person a pension is due from the first day of the month in which the death occurred, if the deceased was not already drawing a pension. If the deceased was already drawing a pension, a pension is due to his heirs from the first day of the month following the death. A widow receives 60 per cent of the pension which her husband received or would have received if he had been pensioned on the day of his death. A child under 18 years of age is entitled to 50 per cent of the pension of his father. The total pension paid to the survivors of the deceased may not, however, exceed 100 per cent of the pension of the father. In the case of the death of an insured woman, if her husband is incapacitated and the support of the family depended entirely or chiefly on the earnings of the insured woman, then the husband is entitled to 60 per cent of the pension of his wife. In such cases the children under the age of 18 years are also entitled to a pension in the same amount as in the case of a deceased male insured person. The fatherless children of an insured woman are also entitled to the same pension. In this connection children may be considered fatherless who are illegitimate or who are not permanently supported by their father.

The pension of a widow ceases at the end of the month in which she dies or marries again. If the widow marries again she receives three years' pension in one lump sum. The pension of a child ceases at the end of the month in which the child becomes 18 years of age, marries, or dies. If the child at the time of the completion of his eighteenth year is attending school or is receiving professional or vocational instruction, he may continue to receive a pension during such instruction until but not beyond his twenty-first birthday. The pension of an incapacitated widower ceases with his death, but during his lifetime continues as long as he is able to show that he is in need of the pension.

Administration

The bank employees cooperate in administration in the same proportion as other classes of salaried employees cooperate in the administration of salaried employees' compulsory old-age insurance.

In 1930 the former old-age insurance organization for employees of the Deutsche Bank combined with the Beamten-Versicherungs-Verein für das Deutsche Bank- und Bankiergewerbe following the fusion of the Deutsche Bank and the Diskonto Bank. Endeavors are being made by the association to enable the outside banks to join its organization, which necessitates the amendment of certain provisions of the act of December 20, 1911. The association considers that the favorable status of bank employees' old-age insurance is due not only to the higher rate of contributions and the inclusion of the higher-salaried employees in the scope of insurance, but also largely to the greater latitude in administration and the conduct of the business on a more commercial and profitable basis.

Statistics of Operation

According to the annual report of the Beamten-Versicherungs-Verein für das Deutsche Bank- und Bankiergewerbe for 1930, the situation of this organization is very satisfactory.

The membership comprises about 45 per cent of all commercial bank employees in Germany. The contributing members at the end of 1930 numbered 66,067 compared with 69,651 a year ago. The decline in 1930 is due to the large-scale dismissals of bank employees since December, 1929.

The old-age annuities current at the end of 1930 numbered 11,042, involving a total expenditure of 8,800,000 marks ($2,094,400). Out of the total number of beneficiaries, the benefits in 7,682 cases, involving an annual outlay of around 8,000,000 marks ($1,904,000) fell to persons having paid contributions currently, while 3,758 benefits involving 825,000 marks ($196,350) were paid to insurants who had made no contributions. The number of benefits paid in 1930 increased by about 16 per cent compared with the year 1929. The average amount of benefit paid to persons who had paid their full number of contributions was 127.87 marks ($30.43) a month, excluding the children's allowance; including the latter the average amount was 130.61 marks ($31.09).

In 1930 the association expended 941,800 marks ($224,148) on special treatments and cures for its members. The applications for payment or part payment of such treatment and cures numbered 2,261, of which 82 per cent were approved (against 63 per cent under the regular salaried employees' compulsory old-age insurance system). Besides, in 1,393 cases, assistance was granted to meet the cost of artificial teeth or medicines, involving an expenditure of more than 100,000 marks ($23,800). A remarkable feature is the predominance of nervous diseases in the list of illnesses for which special treatment and cures were desired.

The reserve, covering benefit payments, increased in 1930 by 19,000,000 marks ($4,522,000), to 137,300,000 marks ($32,677,400). In addition there is a reserve of 500,000 marks ($119,000) from which the cost of medical treatment, etc., is met. Around 109,000,000 marks ($25,942,000) of the assets are invested in gilt-edged securities and first mortgages; 4,000,000 marks ($952,000) were invested in 1930 in mortgages on residential buildings for social purposes. Loans by the association up to the end of 1930, secured by mortgages, helped to finance the construction of 2,174 dwellings, of which about 600 were made available to members of the association.

National Federation of Miners' Insurance System

The act of June 23, 1923, effective January 1, 1924, established a compulsory insurance system for miners. The act was amended by the mining federation act of July 1, 1926 (*Reichsknappschaftsgesetz*). Inasmuch as mine workers in Germany, with the cooperation of mine owners, have maintained ever since 1476, relief funds for victims of mining disasters, this branch of German social insurance has up to the present time preserved its independent character. There are in existence today 16 territorial insurance offices for miners which were under State jurisdiction until 1924, when they were placed under Federal supervision.

The law covers manual laborers engaged in the extraction of mineral products or related materials; and technical and clerical salaried mine employees earning up to 8,400 marks ($2,000) a year. The latter are exempt from participation in salaried employees' old-age insurance.

The Federation of Miners' Insurance System covers the following types of insurance: (*a*) Workmen's sickness insurance;[31] (*b*) work-

[31] Since this type of insurance does not fall within the scope of the present report—old-age pensions—it is not discussed here.

men's old-age insurance; (*c*) workmen's invalidity insurance; (*d*) salaried employees' sickness insurance;[31] and (*e*) salaried employees' old-age insurance.

Contributions

Manual laborers.—As regards old-age insurance, the insured miner pays three-fifths and the employer two-fifths of the contributions. The State contributes an additional amount which in 1929 totaled 67,300,000 marks ($16,017,400). In 1929 the general rate of contribution was 8.5 per cent of the wages paid. The assessment of the customary special rate and a surcharge for strictly mining work was obviated by the contributions of the Federal Government. The contributions are deducted in bulk from the sum total of workers' pay rolls. The rate of contributions in invalidity insurance and the ratio of allocation thereof among workers and employers are the same as in wage earners' compulsory invalidity insurance.

Salaried employees.—Contributions are computed on an assessment basis. The rates are so calculated each year that they cover estimated expenditures, including the amount turned into reserves (one-twentieth of total expenditures), by taking into account a State contribution which in 1929 totaled 7,700,000 marks ($1,832,600).

The contributions consist of the following (the rates stated are those for the year 1929):

	Per cent of gross salaries
(a) A general rate calculated on the basis of the maximum amount of the salary class to which the insured belongs[32]	8.0
(b) A special rate varying, according to mining districts, from	1.2 to 2.8
(c) A surcharge for strictly mining work, ranging from	.8 to 2.4
Total	100 to 13.2

Without the State contribution the above rates would have been about 25 per cent higher. Salaried employees pay three-fifths and employers two-fifths of the total contributions.

Benefits

Manual laborers.—The benefit includes (1) old-age and invalidity benefit; (2) widows' benefit; (3) orphans' benefit; (4) free medical treatment and medicines for recipients of old-age and invalidity benefit; and (5) a contribution to funeral expenses for deceased beneficiaries, their wives and children.

Old-age benefit is paid at the age of 65, or if permanently incapacitated.

Upon application, manual laborers may be accorded benefit at 50 years of age if they have contributed for 300 months (180 months thereof in strictly mining work), and have ceased to perform "equally remunerative work." Such workers are considered to be incapacitated. This is called "premature old-age benefit." The term "equally remunerative work" applies to work equaling the

[31] Since this type of insurance does not fall within the scope of the present report—old-age pensions—it is not discussed here.
[32] The salary classes range from A–H, following the same order of classification as in salaried employees' old-age insurance.

highest-paid work which the beneficiary performed during the major part of his service. The amount of such benefit is reduced by 25 per cent if the recipient subsequently performs regular remunerative work in enterprises above ground.

In all other cases incapacity for work is presumed to have arisen if the insured is unable to perform strictly mining work or work of an equivalent nature.

In addition, invalids are paid benefit from the federation's invalidity benefit fund, in accordance with the provisions of the wage earners' compulsory old-age and invalidity insurance, so that the insured under certain circumstances are paid twofold benefit. Whenever a person draws benefit from two sources, however, the basic amount of the benefit paid from old-age benefit funds is eliminated.

Old-age benefit consists of a basic rate and supplementary amounts. The basic rate amounts to 14 marks ($3.33) a month, or 168 marks ($39.98) annually. The supplementary rate consists of a given percentage of the maximum wage of each wage class in which the insured has made contributions. The wage classes are graded as follows:

Wage Class I, up to 75 marks (17.85).
Wage Class II, from 75 to 100 marks ($17.85–$23.80).
Wage Class III, from 100 to 125 marks ($23.80–$29.75).
Wage Class IV, from 125 to 150 marks ($29.75–$35.70).
Wage Class V, from 150 to 175 marks ($35.70–$41.65).
Wage Class VI, from 175 to 200 marks ($41.65–$47.60).
Wage Class VII, over 200 marks ($47.60).

In calculating the additional benefit the maximum wage in Class VII is assumed to be 225 marks ($53.55). The additional benefit is as follows:

Months of contribution:	Per cent of maximum of wage class
First 60 months	0.5
Next 60 months	1.0
Next 180 months	1.85
All subsequent months	.5

A children's allowance amounting to 120 marks ($28.56) annually is paid for each child up to the age of 15. Survivors' benefit is the same as for salaried employees discussed hereafter.

Salaried employees.—These benefits include the following: (1) Old-age benefit; (2) survivors' benefit; (3) free medical treatment and medicines for old-age pensioners; and (4) a contribution to funeral expenses at the death of a recipient of old-age benefit, his wife and children.

Old-age benefit is paid the insured at the age of 65 or if he is permanently incapacitated through bodily ailment or a decline of physical and mental faculties. Salaried commercial employees are deemed incapacitated for work if their working capacity is less than half that of a physically and mentally sound person of similar training and equal experience and ability. The incapacity for work of technical employees is judged in the same manner as that of comparable classes of manual laborers. Old-age benefit is paid the insured, upon application, also at the age of 50, if he has contributed for 300 months (180 months of which was strictly mining work), and if he has ceased to perform equally remunerative work. This benefit likewise is called "premature old-age benefit." The term "equally remunerative work" applies to work equaling the highest-paid work the beneficiary has performed during the major part of his service. Premature old-age benefit, however, is reduced by 25 per cent if the recipient subsequently performs regular remunerative work above ground.

Salaried employees' old-age benefit consists of a basic amount of 40 marks ($9.52) a month, and a percentage of the maximum salary of each salary class in which the insured has made contributions. The maximum amounts of each salary class are:

	Marks	
Class A	50	($11.90)
Class B	100	($23.80)
Class C	200	($47.60)
Class D	300	($71.40)
Class E	400	($95.20)
Class F	500	($119.00)
Class G	625	($148.75)
Class H	750	($178.50)

The percentages constituting the additional benefit are graduated in the same manner as in the case of manual laborers' old-age benefit. If the total amount of old-age benefit is lower than the amount which would have to be paid the insured under similar conditions under the salaried employees' insurance system, the amount of benefit must be increased proportionately. The children's allowance is the same as that paid from manual laborers' insurance funds, namely, 120 marks ($28.56) per year for each child up to the age of 15.

Survivors' benefits.—Widows' benefit is the same for manual laborers and salaried employees. It amounts to six-tenths of the old-age benefit paid the deceased. The widow of a mine worker receives the widows' benefit whether or not she is still able to work (unlike the widow of a workman insured under the wage earners' insurance who receives no benefit if she is still able to provide for herself). If the deceased was also paid invalidity benefit, the widow receives the widows' benefit likewise from the invalidity insurance funds, but whenever benefit is drawn from several funds the basic amount is paid only once. If several survivors' benefits coincide with the benefit paid from workmen's compensation funds, the total amount of survivors' benefit may not exceed 80 per cent of the annual wages previously drawn by the deceased. If the widow remarries she receives a lump sum equal to three times her annual benefit.

The benefit for each orphan of a manual laborer is two-tenths of the deceased's old-age benefit and five-tenths of his invalidity benefit, and that for each orphan of a salaried employee is one-half of such benefit.

Average monthly benefits paid to manual laborers and salaried employees, respectively, during given years, are given in the following table:

TABLE 44.—*Average monthly benefits under miners' insurance system in Germany, 1913 and 1924 to 1930*

[Conversions into United States currency on basis of mark=23.8 cents]

Year	Old-age benefit		Premature old-age benefit		Both types of benefit		Widows' benefit		Orphans' benefit	
	German currency	United States currency	German currency	United States currency	German currency	United States currency	German currency	United States currency	German currency	United States currency
Manual laborers										
	With children's allowance									
	Marks		*Marks*		*Marks*		*Marks*		*Marks*	
1913 (Prussia only)					26.54	$6.32	11.74	$2.79	3.08	$0.73
1924					45.50	10.83	16.62	3.96	4.53	1.04
1925					57.08	13.57	21.11	5.02	7.80	1.88
1926					65.45	15.58	27.35	6.51	7.72	1.86
1927	65.27	$15.53	82.17	$19.56	68.31	16.26	31.86	7.58	5.63	1.34
1928	63.16	15.03	79.61	18.95	65.48	15.58	30.88	7.35	4.73	1.13
1929	61.04	14.58	78.69	18.73	63.33	15.00	30.04	7.14	3.76	.89
1930, first half [1]	60.53	14.41	83.81	19.95	63.42	15.09	28.43	6.77	3.87	.92
	Without children's allowance									
1926					63.61	$15.01				
1927	61.36	$14.67	76.27	$18.15	64.05	15.23				
1928	58.67	13.96	73.21	17.42	60.72	14.45				
1929	56.08	13.33	71.67	17.06	58.10	13.83				
1930, first half [1]	55.96	13.32	76.63	18.24	58.52	13.93				
Salaried employees										
	With children's allowance									
	Marks		*Marks*		*Marks*		*Marks*		*Marks*	
1913 (Prussia only)					39.46	$9.39	24.95	$5.94	6.79	$1.62
1924					79.90	19.02	30.21	7.19	6.17	1.47
1925					120.54	28.69	43.83	10.43	10.72	2.55
1926					142.47	33.80	62.40	14.85	23.90	5.69
1927	182.95	$43.54	171.57	$40.83	181.80	43.14	88.12	20.97	47.22	11.23
1928	174.69	41.58	152.81	36.37	173.20	41.22	83.07	19.75	39.38	9.37
1929	169.29	40.29	141.43	33.66	167.58	39.88	81.34	19.36	33.01	7.86
1930, January to July [1]	170.17	40.50	110.42	26.28	166.97	39.74	80.59	19.18	35.21	8.38
	Without children's allowance									
1926					141.36	$33.64				
1927	180.12	$42.87	167.11	$39.77	178.81	42.56				
1928	172.17	40.98	147.33	35.06	170.47	40.57				
1929	166.95	39.73	135.19	32.18	165.00	39.27				
1930, January to July [1]	168.04	39.98	105.66	25.15	164.70	39.20				

[1] Beneficiaries of Upper Silesian Miners' Association estimated as of June 30, 1930.

Medical treatment.—In order to forestall permanent invalidity or restore an insured person's capacity for work, free medical treatment or special cures can be granted to the insured, both manual laborers and salaried employees.

Administration

The National Federation of Mine Workers is a self-governing body, attached to the Federal Insurance Office and under the supervision of the Federal Ministry of Labor. It works through the following agencies: (1) The managing board (*Vorstand*), which performs honorary work and appoints directors and employees; and (2) the general assembly (*Hauptversammlung*) which is composed of representatives of employers and employees in the ratio of 2 to 3. It elects the members of the managing board, whose appointment requires confirmation by the Federal Minister of Labor.

Statistics of Operation

The number of manual laborers insured on January 1, 1930, was 727,000, and on July 1, 1930, 627,000, a decline of 100,000. The number of salaried employees insured also fell off, although to a less extent, namely, from 49,080 on January 1, 1930, to about 49,000 on June 1. The movement in membership and number of beneficiaries during specific years is shown by the following table:

TABLE 45.—*Membership and beneficiaries of German miners' insurance funds*

Manual laborers

Date	Membership	Number of recipients of— Old-age benefit	Invalidity benefit	Widows' benefit	Orphans' benefit	Total	Invalidity benefit units [1]	Number of members per invalidity benefit unit
Jan. 1, 1924	727, 767	--------	63, 383	84, 543	86, 654	234, 580	122, 985	5. 92
Jan. 1, 1925	731, 687	27, 877	80, 329	92, 501	94, 944	295, 651	173, 445	4. 22
Jan. 1, 1926	648, 684	31, 617	99, 427	96, 379	103, 237	330, 660	199, 881	3. 25
July 1, 1926	688, 956	34, 083	103, 384	92, 420	107, 575	337, 465	205, 195	3. 36
Jan. 1, 1927	748, 755	26, 206	119, 743	91, 439	73, 902	311, 290	215, 593	3. 47
July 1, 1927	736, 076	28, 171	128, 150	93, 047	72, 193	321, 561	226, 588	3. 25
Jan. 1, 1928	734, 543	29, 651	135, 365	93, 993	69, 274	328, 283	235, 267	3. 12
July 1, 1928	718, 959	23, 937	149, 600	94, 709	67, 260	335, 506	243, 814	2. 95
Jan. 1, 1929	702, 248	23, 706	157, 528	95, 386	64, 741	341, 361	251, 414	2. 79
July 1, 1929	723, 724	24, 064	160, 256	96, 829	62, 431	343, 580	254, 904	2. 84
Jan. 1, 1930	727, 160	23, 139	161, 319	98, 134	61, 913	344, 505	255, 721	2. 84
June 1, 1930	656, 302	23, 522	166, 810	99, 196	58, 859	348, 387	261, 621	2. 51
July 1, 1930	627, 283	23, 508	168, 761	99, 460	58, 572	350, 301	263, 659	2. 38

Salaried employees

Date	Membership	Number of recipients of— Old-age benefit	Premature old-age benefit	Widows' benefit	Orphans' benefit	Total	Children of old-age beneficiaries	Old-age benefit units [2]	Number of members per invalidity benefit unit
Jan. 1, 1924	48, 091	1, 663	-------	2, 789	3, 238	7, 690	-------	3, 705	12. 98
Jan. 1, 1925	49, 942	3, 500	578	4, 734	3, 613	12, 425	-------	7, 168	6. 97
Jan. 1, 1926	48, 864	5, 812	1, 096	5, 375	4, 169	16, 452	-------	10, 429	4. 69
Jan. 1, 1927	49, 306	8, 435	922	5, 900	3, 478	18, 735	2, 982	14, 636	3. 37
Jan. 1, 1928	49, 477	10, 265	1, 106	6, 161	3, 724	21, 236	3, 763	16, 918	2. 92
Jan. 1, 1929	49, 029	11, 401	693	6, 371	3, 560	22, 025	4, 027	17, 697	2. 77
Jan. 1, 1930	49, 080	12, 017	832	6, 553	3, 229	22, 631	4, 143	18, 395	2. 67
June 1, 1930 [3]	49, 100	12, 522	656	6, 734	3, 139	23, 051	4, 296	18, 788	2. 61

[1] Up to June 30, 1926, 1 invalidity benefit unit was equal to 2 widows' or 5 orphans' benefits; from July 1, 1926, 5 widows' benefits equaled 3 invalidity benefit units and 5 orphans' benefits equaled 1 invalidity benefit unit.

[2] Up to June 30, 1926, 2 widows' or 5 orphans' benefits equaled 1 old-age benefit unit; from July 1, 1926, 5 widows' benefits equaled 3 old-age benefit units, and 2 orphans' benefits equaled 1 old-age benefit unit.

[3] Partly estimated.

The per capita outlay for benefit based on the average yearly number of beneficiaries averages 543.87 marks ($129.51) for manual workers and 1,374.68 ($317.17) for salaried employees.

Receipts and expenditures.—Receipts and expenditures for the two years ending December 31, 1928, and December 31, 1929, respectively, follow:

TABLE 46.—*Receipts and expenditures of German miners' insurance system, 1928 and 1929*

[Conversions into United States currency on basis of mark=23.8 cents]

Item	1928		1929	
	German currency	United States currency	German currency	United States currency
Manual Laborers' Old-age Benefit Fund:				
Receipts—	*Marks*		*Marks*	
Contributions	192,000,000	$45,696,000	164,000,000	$39,032,000
Capital proceeds	5,000,000	1,190,000	6,000,000	1,428,000
State subsidies			50,500,000	12,019,000
Profits from stock-exchange transactions	1,650,000	392,700	800,000	190,400
Miscellaneous	300,000	71,400	830,000	197,540
Expenditures—				
Benefits	176,000,000	41,888,000	178,000,000	42,364,000
Funeral subsidies	1,800,000	428,400	2,000,000	476,000
Compensation to widows upon remarriage	780,000	185,640	700,000	166,600
Medical treatment	4,800,000	1,142,400	5,700,000	1,356,600
Administration	7,700,000	1,832,600	8,000,000	1,904,000
Addition to reserves	7,650,000	1,820,700	26,890,000	6,399,820
Total reserves	127,900,000	30,444,200	154,800,000	36,860,250
Salaried Employees' Old-age Benefit Fund:				
Receipts—				
Contributions	30,000,000	7,140,000	28,074,000	6,681,612
State subsidies			5,778,000	1,375,000
Capital proceeds	1,115,000	265,370	1,268,000	301,784
Profits through stock-exchange transactions	650,000	154,700	17,000	4,046
Refunds from other insurance carriers	3,390,000	806,820	3,699,000	880,362
Expenditures—				
Benefits	32,000,000	7,616,000	32,750,000	7,794,500
Funeral subsidies	300,000	71,400	298,000	70,924
Medical treatment	1,200,000	285,600	1,273,000	302,974
Drawn from reserves	33,000	7,854		
Addition to reserves			3,265,000	777,070
Administration	1,200,000	285,600	1,234,000	293,692
Total reserves	24,500,000	5,831,000	27,799,000	6,616,162
Manual Laborers' Invalidity Benefit Fund:				
Receipts—				
Contributions	68,500,000	16,303,000	70,200,000	16,707,600
Capital proceeds	3,500,000	833,000	5,000,000	1,190,000
Profits through stock-exchange transactions	1,500,000	357,000	1,250,000	297,500
Subsidies from Federal customs receipts, and refunds from health insurance office	1,500,000	357,000	3,500,000	833,000
Other subsidies and transfers	3,000,000	714,000	1,600,000	380,800
Expenditures—				
Benefits	42,800,000	10,186,400	49,500,000	11,781,000
Medical treatment and other invalidity benefits	9,000,000	2,142,000	10,800,000	2,570,400
Administration	3,750,000	892,500	4,800,000	1,142,400
Addition to reserves	20,800,000	4,950,400	14,000,000	3,332,000
Total reserves	74,400,000	17,707,200	88,500,000	21,006,300

Cost of administration.—The cost of administration during 1929 is shown in the following table:

TABLE 47.—*Cost of administration of German miners' insurance, year ending December 31, 1929*

[Conversions into United States currency on basis of mark=23.8 cents]

Type of insurance	Total cost		Per capita cost		Per cent of receipts from contributions
	German currency	United States currency	German currency	United States currency	
	Marks		*Marks*		
Manual workers' old-age insurance	8, 000, 000	$1, 904, 000	10. 68	$2. 54	3. 58
Salaried employees' old-age insurance	1, 234, 000	293, 692	25. 02	5. 95	3. 64
Manual laborers' invalidity insurance	4, 800, 000	1, 142, 400	6. 01	1. 43	6. 17

SOURCES FOR GERMANY: Reichsgesetzblatt, Dec. 24, 1924 (pp. 907–932), Mar. 27, 1925 (pp. 27, 28), July 31, 1925 (p. 157), June 28, 1926 (pp. 311–314), June 28, 1927 (p. 129), Aug. 5, 1927 (p. 243), Mar. 31, 1928 (p. 116), Apr. 3, 1928 (p. 138), and July 19, 1929 (p. 135); Die Angestelltenversicherung, Bericht des Direcktoriums der Reichsversicherungsanstalt für Angestellte, 1928 and 1929; Reichsknappschaft, Bericht, 1928 and 1929; and Socialversicherung oder Sparswang.

83360°—32——16

Great Britain

By K. A. Egerton, *of the American Consulate General, London, England*

Voluntary Insurance

In 1833 a special department was created in the National Debt Office for the sale of Government annuities to any person over the age of five years. The annuities were sold either on the installment plan or for a lump-sum payment, the rate of which depended upon the amount of the annuity, ranging from £1 ($4.87) up to £20 ($97.33) and later up to £100 ($486.65).[33] In 1844 the Postal Savings Bank undertook to sell annuities, immediate or deferred, and also lump-sum benefits payable at ages 55, 60, or 65 years, or sooner in the event of death. The success of the system was rather limited. From 1865 to 1890 only about 21,000 annuities were sold, mostly to persons who were not wage earners.

Kinds of Old-Age Pensions Now in Operation

There are at present in Great Britain three types of old-age benefits provided for the poorer civilian population.

(1) The first, which dates from 1908, applies to persons over 70 years of age with incomes of less than a stated amount, and are called old-age pensions. They are straight pensions paid from the National Exchequer, and vary with the pensioners' means. Until 1925 they were the only pensions of this type and applied to the wage earners, small shopkeepers, domestic servants, and lowest-paid clerical classes.

(2) Since the year 1925, when the second type of pensions came into being, namely, contributory pensions, the manual wage earners, domestic servants, and other wage-earning classes have come largely under the new scheme, leaving under the old-age pension system originally provided in the old-age pension acts of 1908 to 1924 chiefly the small shopkeeping class.

(3) The contributory pensions acts of 1925 and 1929 provided pensions for workers between the ages of 65 and 70, under the compulsory national health insurance schemes. These benefits are paid from funds collected in contributions from workers and employers, combined with a small annual Exchequer grant. The acts of 1924 and 1929 not only established these contributory pensions, but also amended the old-age pension acts, changing the basis on which a large number of persons over 70 receive the pensions under those acts. The amendments provide that workers, who have been entitled to contributory pensions by virtue of having contributed when employed, on reaching 70 shall receive, instead of the usual old-age pension which was dependent on residence in the United Kingdom

[33] Conversions into United States currency on basis of English pound equals $4.8665.

and varied according to the annual income of the pensioner, an unrestricted pension of 10 shillings ($2.43) per week irrespective of means and irrespective of residence outside the United Kingdom, provided residence is within a British Dominion or Colony. These unrestricted old-age pensions, payable to previous recipients of contributory pensions, are, however, paid out of the old-age pension grants, and not out of the "contributed funds" of the other scheme.

The table following shows the relation of the three types of pensions.

TABLE 48.—*Provisions of old-age pension laws in Great Britain*

Type of pension	Beneficiaries		Administered by—	Source of funds	Law
	Class	Number, 1930			
Restricted old-age pensions.	Persons over 70 with less than £50 per year.[1]	446,596	Customs commissioners.	Exchequer grants.	Old-age pension acts of 1908-1924.
Unrestricted old-age pensions.	Persons over 70 who have made contributions under contributory pensions schemes.	926,735	Ministry of Health	...do...	Amendment to old-age pension acts of 1908-1924, passed as part of contributory pension acts of 1925 and 1929.
Contributory pensions.	Workers (and wives) between 65 and 70 insured under national health insurance schemes.	587,772	...do...	Contributory fund, and annual parliamentary grant of £4,000,000.	Contributory pension acts of 1925 and 1929.

[1] Now mostly small shopkeepers who are not "employed" but are proprietors of their own businesses, being therefore not insured under the national health and contributory pensions schemes.

Old-Age Pensions Under Acts of 1908 to 1924

After a study of the problem of old age by a number of royal commissions and departmental committees, an old-age pension act was passed in 1908, which provided for pensions to the worthy aged out of the public treasury. This act was amended a number of times, the most important amendments being made in 1911, 1919, 1924, and 1925.

Coverage of System

The pensionable age was set at 70 years, and remains that at the present time. The persons covered were those with incomes of less than a stated amount, of British nationality, having been subjects for the past 12 years and residents in the United Kingdom for at least 12 years since attaining the age of 50, or for 20 years in the case of naturalized subjects (certain periods spent abroad counting as residence if the person was supporting or helping to maintain dependents in the United Kingdom). The "means" test has always been a fundamental part of the system, though the amount of means has changed, and the amount of the pension increased in 1919 from 5s. ($1.22) to 10s. ($2.43) per week. Originally pensions were paid to persons with yearly incomes of less than £31 10s. ($153.29) per annum, which equals 12s. ($2.92) per week. Since 1920 pensions have been paid to persons with incomes of less than £49 17s. 6d. ($242.72) per annum, or 19s. 2d. ($4.66) per week.

The old-age pension act was amended in 1924, by the inclusion o the "thrift clause," so called because it was designed to encourage savings by allowing a deduction, from the total "means," as calculated under the act, of income derived from investments, that deduction being limited to £39 ($189.79) a year, or £78 (379.59) for a married couple. Thus, the person who has saved enough for his old age to have investments which bring him an income of, for example, £60 ($291.99) per year, may deduct £39 ($189.79), leaving £21 ($102.20) as his "net means" for the purposes of calculating the pension. He would then be entitled to a pension of 10s. ($2.43) per week, or £26 ($126.53) per year, whereas, if the deduction were not allowed, he would not be entitled to a restricted old-age pension at all, as his income would be too large to fall within the income groups entitled to pension under the law.

Persons who have established their right to contributory pensions (which are discussed later in this report) and who have attained the age of 70 receive the flat unrestricted old-age pension of 10s. ($2.43) per week without reference to the "means" or United Kingdom "residence" tests.

In the case of a person who is one of a married couple living together in the same house, his or her means are deemed to be half of the combined means of the couple; or in other words, when the yearly "net means" of a married couple exceeds the sum of £99 15s. ($485.43) or £1 8s. 4½d. ($9.34) per week, no pension is paid.

The persons covered by the old-age pension acts were originally (*a*) wage-earning population, consisting largely of manual workers, both skilled and unskilled, and domestic servants; and (*b*) small shopkeepers and others who are not hired by employers in consideration of a wage, but are proprietors of their own businesses. Practically all those in the first class will eventually be able to qualify under the contributory pensions acts for the unrestricted old-age pension of 10s. per week ($2.43). The majority in the second class, however, are not affected by the provisions of the national health insurance acts and have, therefore, no opportunity of becoming entitled to contributory pensions.

Benefits

Pensions vary with the amount of income of the pensioner and are now as follows:

TABLE 49.—*Pensions payable under acts of 1908 to 1924 in Great Britain, by income classes*

[Conversions into United States currency on basis of shilling=24.3 cents]

Income class	Amount of pension per week: English currency	Amount of pension per week: United States currency
	s. d.	
£26 5s. ($127.74) and under	10 0	$2.43
Over £26 5s.-£31 10s. ($127.74-$153.29)	8 0	1.95
Over £31 10s.-£36 15s. ($153.29-$178.84)	6 0	1.46
Over £36 15s.-£42 ($178.84-$204.39)	4 0	.97
Over £42-£47 5s. ($204.39-$229.94)	2 0	.49
Over £47 5s-£49 17s. 6d. ($229.94-$242.72)	1 0	.24
Over £49 17s. 6d. ($242.72)	----------	----------

Administration

The old-age pension acts of 1908 to 1924 provide for straight pensions paid by the State. Annual estimates of the expense of benefits and administration are made at the time the national budget is drawn up, and parliamentary grants made in accordance. The funds are made available as necessary, and balances at the end of the year carried over and taken account of in the following budget. The act is administered by the customs commissioners as a part of their regular duties. The work, which is carried out largely by specially appointed woman pension officers, is described in the annual reports of the customs commissioners as follows:

1. To investigate and report to the local pension committee upon claims to pensions, and also upon questions as to the increase, reduction, or withdrawal of existing pensions;
2. To give effect to the decision of the pension committee or central pension authority—Ministry of Health for England, Board of Health for Wales, and Department of Health for Scotland—if the case has been decided on appeal, whereby a pension is granted, revoked, or altered in rate, and to insure to the pensioner the means of drawing his pension so long as he remains entitled to it. This involves visiting the pensioners in their homes, delivering to them their pension order books, and inquiring as to their continued title to a pension.

The operation of the contributory pensions acts has given to a large number of persons over 70 already receiving restricted old-age pensions a title to the unrestricted old-age pensions of 10s. ($2.43) per week. The administration of these unrestricted old-age pensions has been taken over by the Ministry of Health though they are still paid from the parliamentary grants under the old-age pension acts of 1908 to 1924.

Form of claim.—Since the passing of the contributory pensions acts, a joint form of claim to cover all types of old-age pensions has been used. Claims are sent in the first instance to the central pension authority, and any claim not succeeding under the contributory pensions acts is transmitted to the appropriate pensions officer under the office of the customs commissioners, to be dealt with under the old-age pensions acts of 1908 to 1924.

Method of payment.—When a person has established the right to a pension, he is given a pensions book which he presents at his local post office. Here the pension is paid to him weekly in advance. This is done through arrangement with the post office. The pensioner elects the branch post office and must receive his pension regularly at that place.

Statistics of Operation

The number of persons covered by the old-age pension acts of 1908 to 1924 has been increased by the coming into operation of the contributory pensions acts of 1925 and 1929, owing to the fact that the "means" and United Kingdom "residence" tests do not apply to persons attaining the age of 70 who have received, or would have been entitled to receive, contributory old-age pensions. It is impossible to estimate the number of persons covered by the old-age pension acts—that is, who are likely in the future to come within its scope. The number covered for unrestricted pensions by virtue of the contributory pensions acts is roughly the same as the numbe covered for contributory pensions. (See pp. 241 and 243.) It is generally estimated, in the administrative departments concerned, that the future number of persons likely to be in receipt of restricted old-age pensions (i. e., who will not be entitled to the "unrestricted" pensions to which contributory pensioners are admitted), will be between a half and three-quarters of a million for Great Britain, being chiefly of the small shopkeeping class.

TABLE 50.—*Persons in receipt of old-age pensions in Great Britain, in specified years*

[Conversions into United States currency on basis of shilling=24.3 cents]

Kind of pension	Number of persons over 70 in receipt of pensions, last Friday in March—			
	1914	1925	1929	1930
Restricted old-age penions of—				
10 shillings ($2.43)		986, 843	926, 287	901, 263
8 shillings ($1.95)		7, 190	7, 690	7, 943
6 shillings ($1.46)		6, 395	6, 559	6, 854
5 shillings ($1.22)	738, 646	71	4	2
4 shillings ($0.97)	16, 142	5, 759	5, 922	6, 197
3 shillings ($0.73)	15, 202	7		
2 shillings ($0.49)	7, 702	3, 508	3, 318	3, 415
1 shilling ($0.24)	4, 237	911	1, 015	1, 061
Total	781, 929	1, 010, 684	950, 795	926, 735
Unrestricted old-age pensions of 10 shillings ($2.43) [1]			366, 584	446, 596
Grand total	781, 929	1, 010, 684	1, 317, 379	1, 373, 331

[1] Pensions are also paid under the contributory pensions acts to persons between 65 and 70 years, but these are paid from the contributory pensions fund and are dealt with in a later section (p. 242).

Receipts and expenditures.—The following particulars regarding receipts and expenditure for old-age pensions under the old-age pension acts of 1908 to 1924, are taken from the published financial accounts of the British Exchequer for the fiscal year ended March 31, 1930:

TABLE 51.—*Receipts and expenditures under old-age pension acts of 1908 to 1924 in Great Britain for fiscal year ended March 31, 1930*

[Conversions into United States currency on basis of £=$4.8665]

Item	English currency	United States currency
Receipts:		
Balance of former years unissued from Exchequer	£100, 000	$486, 650
Grants for year 1929–30	35, 537, 000	172, 940, 811
Total	35, 637, 000	173, 427, 461
Expenditures:		
Total issues in year	34, 938, 615	170, 028, 770
Surplus balances written off	148, 385	722, 116
Balances of grants unissued from Exchequer on Mar. 31, 1930	550, 000	2, 676, 575
Total	35, 637, 000	173, 427, 461

Cost of administration.—The latest available figures showing the cost of administration of old-age pensions are those for the year ended March 31, 1929. During that year administrative expenses were £877,033 ($4,268,081), while benefits amounted to £32,829,797 ($159,766,207), a total of £33,706,830 ($164,034,288). The total number of persons receiving benefit that year was given as 1,417,000; thus, the per capita administrative expenses were 12s. 4½d. ($3.01) and the per capita benefit £23 3s. 4½d. ($112.75) per annum, or 8s. 11d. ($2.17) per week.

Estimates for the years 1929–30 and 1930–31 are as follows:

TABLE 52.—*Estimated cost of old-age pensions in Great Britain for 1929–30 and 1930–31*

[Conversions into United States currency on basis of £=$4.8665]

Item	1929–30		1930–31	
	English currency	United States currency	English currency	United States currency
Pensions	£35,500,000	$172,760,750	£36,500,000	$177,627,250
Administration	40,000	194,660	39,000	189,794
Total	35,540,000	172,955,410	36,539,000	177,817,044

Contributory Insurance

As a result of widespread dissatisfaction with the age and means limits above quoted, the widows', orphans', and old-age contributory pensions act was passed in the early part of 1925, and became a law on September 7 of that year.

Contributory pensions are provided for by the acts of 1925 and 1929, entitled "Widows', orphans', and old-age contributory pensions acts."

Coverage of System

The workers affected are those who are compulsorily insured under the national health insurance acts which have been in operation since 1911. These acts embrace all manual workers and domestic servants, whatever their incomes, and also all nonmanual wage earners whose incomes do not exceed £250 ($1,217) per annum, or 9s. 7½d. per week ($2.34). The latter class consists chiefly of clerks and shop assistants. (Exception is made of certain workers in railways and in the employ of local government bodies, for whom equally favorable provision is made for health and pensions insurance.) Those who are not manual workers, but who have at one time received less than £250 ($1,217) per annum, thus coming within the compulsory insurance scheme, may voluntarily continue to be insured under the national health insurance acts, and also under the contributory pensions scheme, if they later receive more than £250 ($1,217) per annum.

Type of Law

The contributory pensions scheme is so closely connected with the national health insurance scheme that some explanation of the latter is necessary. The national health insurance acts, like the unemployment insurance acts, provide for contributions (*a*) from employers and (*b*) from wage earners. These contributions, together with a grant from the National Exchequer, form the funds from which the benefits are paid and administrative expenses met. The contributory pensions scheme entails the collection of similar contributions, and these collections are made through the same channels and at the same time as the health insurance contributions. Contributions are paid in the form of stamps purchased from the post office. Each worker has a card to which the stamps are affixed. The responsibility of assuring that these stamps are so affixed rests with approved friendly societies, about which a word of explanation is here needed. At the time of the passing of the national health insurance acts, there were in existence a large number of friendly societies which were private, cooperative, and mutual-benefit societies with a large membership among the working classes. They collected weekly contributions from members and paid sickness, burial, and other benefits to their contributors in times of need and emergency. They also acted as savings societies in various ways. The societies were given the task of administering the collection of health insurance contributions and, to some degree, the payment of sick benefits. Every wage earner belongs to an approved friendly society, which he may select. The societies are registered by a Government registrar, are subjected to periodical actuarial valuation of their assets, and generally controlled rigidly in order that the interests of their members may be fully protected.

Contributions

Since this machinery has proved on the whole satisfactory and economical in the administration of the health insurance scheme, it was decided to make the collection of contributions for contributory pensions also through the friendly societies. To make for simplification, health and pension contributions are now paid weekly in one stamp. The contributions are as follows: For a man the total contribution is 1s. 6d. (36 cents) per week, 9d. (18 cents) being paid by the worker and 9d. (18 cents) being paid by the employer; of this, 9d. represents the contribution for health insurance and 9d. the contribution for old-age, widows', and orphans' pensions. For a woman the total contribution is 1s. 1d. (26 cents) per week, 7d. (14 cents) being paid by the employer and 6d. (12 cents) being paid by the worker; of this, 4½d. (9 cents) represents the contribution for pension and 8½d. (17 cents) the payment for health insurance.

In addition to the funds so collected, the sum of £4,000,000 ($19,466,000) is paid annually from the National Exchequer. This annual grant has been made for a period of 10 years, beginning 1926–27, thereafter to be determined by Parliament.

Benefits

It should be noted that the contributory pensions scheme provides not only for pensions which may be called "old-age pensions," i. e., those paid to workers between the ages of 65 and 70 (after which they pass on to the old-age pensions under the acts of 1908 to 1924 with unrestricted old-age pensions of 10s. ($2.43) per week), but also for widows' and orphans' pensions.

The old-age pensions under the contributory pensions acts are payable to insured men and women between the ages of 65 and 70 and to the wives between 65 and 70 of men who are entitled to contributory pensions. The pensions are conditional upon the duration of insurance under the acts, the number of contributions, and residence in the British Empire (under the law of 1925, residence in the United Kingdom was a condition, but by the law of 1929, pensions are payable to persons insured in the United Kingdom but resident afterwards in the Dominions or Colonies of the British Empire).

The amount of the benefit is 10s. ($2.43) per week. Widows' pensions amount to 10s. per week to which is added 5s. ($1.22) allowance per week for the eldest child and 3s. (73 cents) per week for each other child. Full orphans of an insured parent or insured parents are entitled to 7s. 6d. ($1.83) each per week up to the age of 14 years, or 16 if attending school.

Administration

Contributory pensions are administered by the Ministry of Health. Contributions are collected in conjunction with health insurance contributions through approved friendly societies, and benefits are paid through the post office in the same manner as old-age pensions payable under the old-age pension acts.

Statistics of Operation

The number of persons covered by the contributory pensions is difficult to estimate, since the widows and orphans of insured men and the children of insured women are covered by benefits but do not make contributions. Even the number covered for old-age pensions alone is not easy to estimate, since the wives between 65 and 70 of insured men are covered. In 1928 there were about 16,500,000 persons entitled to health benefits under the health insurance acts. Roughly, the same number of persons are insured for contributory pensions; but a somewhat smaller number would be said to be covered for contributory old-age pensions, since the total number of beneficiaries includes widows and orphans.

The number of persons between 65 and 70 receiving benefits in Great Britain was 587,772 on March 31, 1930 and the amount per person during the first year when the scheme has been in full operation was £26 ($126.53) per annum, or 10s. ($2.43) per week.

Receipts and expenditures.—The accounts of the contributory pensions fund for the year ended March 31, 1930, are to be found in the eleventh annual report of the Ministry of Health, 1929–30. These figures apply to England and Wales only; the Scottish account is not yet available.

The total receipts from contributions for England and Wales in the year ended March 31, 1930, was £21,637,000 ($105,296,461). Additional funds were received from the Treasury pensions account (where the annual parliamentary grant of £4,000,000 and any surplus funds are placed to be handed over when needed), amounting to £3,170,000 ($15,426,805), bringing the total receipts to £24,807,000

($120,723,266). Expenditures were £22,613,000 ($110,046,165) fo. all contributory pensions paid—£13,228,500 ($64,376,495) for old-age pensions and the remainder for widows' and orphans' pensions. Administrative expenses were £975,000 ($4,744,838). The sum of £930,000 ($4,525,845) was returned to the Treasury pensions account as not needed for expenditure during the current year; balances at the first of April, 1929, and estimated for the end of March, 1930, of £102,500 ($498,816) and £186,500 ($907,602), respectively, bring the total payments from the fund to £24,807,000 ($120,723,266). Funds held in the Treasury pensions account are invested by the Treasury and the interest is credited to the account.[34]

Costs and benefits.—Owing to the fact that widows' and orphans' pensions are a part of the contributory pensions scheme for which the grant of £4,000,000 ($19,466,000) is made annually, and which is paid for and administered as one scheme, it is impossible to estimate the cost of administration for the contributory old-age pensions (for persons 65 to 70 years) which are a part of it. Furthermore, it should be pointed out that it is impracticable to estimate the per capita cost of administration of the whole of the contributory pensions scheme since the work of collection of contributions is combined with that of the collection of health insurance contributions and is done by the approved friendly societies. The cost of administration of these societies can be ascertained, but only a fractional part of their running expenses can be attributed to the collection of contributions for contributory pensions. On the other hand, if this machinery did not exist, it would undoubtedly add considerably to the cost of administration of such a scheme.

For the year ended March 31, 1929, the administrative expenses of the whole contributory pensions scheme, apart from the expenses of collection of contributions by approved friendly societies, may be roughly estimated as follows:

TABLE 53.—*Administrative expenses and benefits paid under contributory insurance system in Great Britain, year ended March 31, 1929* [a]

[Conversions into United States currency on basis of £=$4.8665]

Item	Benefits paid		Number of pensioners
	English currency	United States currency	
Contributory pensions	£22,613,000	$110,046,164	1,345,151
Unrestricted old-age pensions	[b] 9,935,000	48,348,678	391,941
Total	32,548,000	158,394,842	1,737,092
Administrative expenses of Ministry of Health for contributory pensions scheme	975,000	4,744,838	

[a] Figures relate to England and Wales only; data for Scotland not yet available.
[b] Estimated in accordance with suggestion of Ministry of Health, by taking the number of pensions, multiplying by £26, and deducting 2½ per cent from the result. Number of persons for England and Wales estimated by deducting 16 per cent of total, as probable number for Scotland, from figure for Great Britain.

[34] Unrestricted old-age pensions paid to persons over 70, by virtue of their title to contributory pensions, are not paid from the funds set out above, though administered by the Ministry of Health. Such pensions are paid as straight pensions from the annual parliamentary grants for old-age pensions under the acts of 1908 to 1924. (See p. 237.)

The administrative expense was therefore 11s. 5d. ($2.78) per person receiving a pension.

SOURCES FOR GREAT BRITAIN: Old-age pensions acts, 1908 (8 Edw. 7, ch. 40), 1911 (1 & 2 Geo. 5, ch. 16), 1919 (9 & 10 Geo. 5, ch. 102), and 1924 (14 & 15 Geo. 5, ch. 33); Widows', orphans', and old-age contributory pensions acts, 1925 (15 & 16 Geo. 5, ch. 70) and 1929 (20 Geo. 5, ch. 10); Explanatory leaflets (O. A. P. 107 and W. P. 5-G); House of Commons, Question and Answer No. 1086/1930. July 29, 1930; Ministry of Health reports—Widows', orphans', and old-age contributory pensions bill, 1929, memorandum explanatory of the bill (Cmd. 3412), Seventh annual report, 1925–1926 (Cmd. 2724), and Eleventh annual report, 1929–1930 (Cmd. 3667); Department of Health for Scotland, First annual report, 1929 (Cmd. 3529); Commissioners of Customs and Excise, Twentieth report, for year ended Mar. 31, 1929 (Cmd. 3435); House of Commons Papers No. 49 (Widows', orphans', and old-age contributory pensions act, 1925—Accounts 1928) and No. 101 (Public social services—Total expenditure under certain acts of Parliament); Statistical Abstract of the United Kingdom, 1930; and Handbook of widows', orphans', and old-age contributory pensions, by T. P. McDonald and George Davie (Edinburgh, William Hodge & Co., 1930).

Greece

By Edwin A. Plitt, *American Consul, Athens*

In Greece, accident, disability, and old-age insurance covers wage earners and salaried employees, and seamen. Compulsory insurance of wage earners and salaried employees was provided for by a decree of December 8, 1923, and that of seamen by an amended decree of October 18, 1922.

Wage Earners' and Salaried Employees' Insurance System

Coverage of System

All persons working, other than independently, for remuneration in any industry, handicraft, commercial enterprise and establishment, including building and transportation companies, are subject to compulsory insurance. Persons engaged in home industries may apply for voluntary inclusion in this insurance but are not compelled to do so.

Contributions

The resources of the insurance are derived from compulsory contributions in the proportion of not less than 3 nor more than 6 per cent of the wages or salaries of the insured (unless the enterprise employing them agrees to make contribution at higher rates) on the basis of equal contribution by the employer.

Benefits

The insured risks are sickness, disability, old age, and death, payments being made in case of illness of an insured worker or employee, and a pension or lump sum in the event of disability, old age, or death.

Aside from the actually insured worker or employee, benefits are also granted to (*a*) the undivorced widow and legitimate minor children of a person insured, and (*b*) adult children who are infirm and dependents of the insured. The minority of children, for the receipt of benefits, terminates at the age of 15 years for boys and 20 years for girls. Infirmity is established by a decision of the governing body of the insurance fund on the basis of medical reports.

Where there is a widow or minor children, all other classes of persons who might otherwise be entitled to benefits are excluded. Where there is no widow or minor children, benefits are payable to the parents, brothers, or sisters of the insured, and in case of absence of all of the foregoing, to the grandparents of the insured.

Administration

Insurance is paid from (1) special funds of enterprises, (2) pension funds of workers' organizations, (3) pension funds of mining enterprises, and (4) State pension funds.

The establishment and administration of every insurance institution (or fund, as it is commonly called) is subject to control and supervision by the State through the Ministry of National Economy. Each of these insurance funds or institutions constitutes a legal body which is governed by rules and regulations prepared by a workers' insurance supervising council and approved by the Ministry of National Economy.

The council (*a*) determines rates of contribution, (*b*) regulates the administration of funds, (*c*) regulates the investment of funds, and (*d*) is responsible for the safeguarding of the funds. To provide retirement insurance there are over 30 retirement funds operating in Greece.

Statistics of Operation

In regard to the number of persons covered, persons receiving benefits, receipts and expenditures, etc., recent figures are not available. A tabulation made by the Government Bureau of Statistics for the period 1927–28, which, however, includes civilian employees of the Government as well, is here shown.

TABLE 54.—*Number of persons insured in social insurance organizations and of persons receiving pensions in Greece, 1927–28*

Class	Number of funds	Number of insured	Persons receiving pensions
Funds against old age, disability, and death	39	149, 371	22, 604
Funds against old age, disability, death, and sickness	1	147	
Funds against old age, disability, death, and unemployment	1	42, 407	72
Total	41	191, 925	22, 676

TABLE 55.—*Financial statement of social insurance organizations in Greece, 1927–28*

[Conversions into United States currency on basis of drachma=1.3 cents]

Class	Number of funds	Total receipts		Total payments	
		Greek currency	United States currency	Greek currency	United States currency
		Drachmas		*Drachmas*	
Organizations operating under law 2868	24	152, 568, 111. 86	$1, 983, 385	36, 817, 169. 56	$478, 623
Organizations operating under special laws	5	103, 934, 622. 30	1, 351, 150	45, 352, 407. 75	589, 581
Special funds (public employees, officers, and sea workers)	12	244, 352, 509. 30	3, 176, 583	156, 803, 985. 30	2, 038, 452
Total	41	[1] 500, 855, 246. 46	6, 511, 118	238, 973, 562. 61	3, 106, 656

[1] This is not the exact sum of the items but is as appears in the original.

Seamen's Insurance System

Coverage of System

The insurance of Greek merchant marine seamen is provided for by law 3347 as codified.[35] This legislation embraces all registered seamen employed in the Greek merchant marine.

Contributions

Resources for the insurance of seamen are derived from compulsory contributions, paid by all classes of seamen and ranging (for the year 1931) from 3 to 30 drachmas (3.9 to 39 cents) per month, according to their classification; a special assessment, ranging from 150 to 1,000 drachmas ($1.95 to $13.00) in case of marriage; sale of service books and other printed matter, such as licenses and diplomas; and (since May 15, 1930) contributions by the shipowners of an amount equal to that paid by the men.

Benefits

The insured risks are old age, disability, and death. In the case of disability or old age, either a pension or a lump-sum indemnity is given. In case of death a pension is given to the beneficiary of the insured.

The law specifies the following classes of beneficiaries: (1) Those retiring from service at the age of 55 after 25 years' active service; (2) those retiring from the navy and port administration groups after at least 15 years' active service; (3) those retiring because of accident due to active service; (4) those retiring because of disability other than an accident, after 10 years' active service; (5) the widow and orphans of a seaman dying while on active service (this includes male children up to 18 years of age and female children up to the time of their marriage); and (6) in the absence of widow and orphans, the benefits accrue to an invalid father, and in the absence of the latter to the mother, and in the absence of the mother as well, to the seaman's brothers up to the age of 18, and to his sisters up to their marriage, when the seaman died as the result of an accident after at least 10 years of active service.

In the law the benefits payable are defined as follows:

(*a*) For beneficiaries of class 1, above, the benefit is one twenty-fifth of the basic sum of the pension multiplied by the number of years served.

(*b*) For those of class 2 above, the benefit is one twenty-fifth of the basic pension multiplied by the number of years served. For more than 25 years' service and retirement under 50 years of age, the increase of the basic pension will not be taken into consideration.

(*c*) For those of class 3 above, the benefit is one twenty-fifth of the basic pension multiplied by the number of years served, but not less than the basic pension. For the partially disabled the benefit amounts to one twenty-fifth of the basic pension multiplied by the number of years served, except in the case of less than 25 years'

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[35] Decree of Oct. 18, 1922.

service when the pension is made equal to one-half of the basic pension increased by one-thirtieth thereof for each year's service in excess of 10. If the beneficiary has served only a few days, his corresponding monthly contribution is considered the average limit. If he has served under 10 years, the monthly average limit is determined by dividing the total contribution paid by the total number of months served.

(*d*) For those of class 4 above, in the case of total disability, the benefit is one-half of the basic pension increased by one-thirtieth thereof for each year's service over 10. In the event of partial disability, the benefit is one-third of the basic pension increased by two forty-fifths thereof for each year's service over 10.

(*e*) To the widow and other beneficiaries of class 5, 70 per cent of the husband's pension is granted, increased by 10 per cent for each child.

(*f*) For the orphans of class 5 and the beneficiaries of class 6, 55 per cent of the pension of the deceased father is granted. For each additional orphan this pension is increased 15 per cent.

(*g*) For the other beneficiaries of classes 5 and 6 (i. e., parents, brothers, etc.) the benefit is 50 per cent of the deceased's pension for 3 or more brothers, 40 per cent for 2 brothers, and 30 per cent for only 1 brother.

Further, if the deceased seaman was pensioned on account of partial disability, the survivors' pension is computed on the basis of total disability.

A pension granted to the father of a deceased seaman may be apportioned equally between the father and mother by decision of the council of the Seamen's Invalidity Fund.

Administration

The whole scheme is administered by the Seamen's Invalidity Fund.

Statistics of Operation

Figures are not available in regard to the number of persons covered and persons receiving pension.

The following table shows the receipts and expenditures for the years 1927, 1928, and 1929:

TABLE 56.—*Total amount of receipts and expenditures for 1927, 1928, and 1929 under seamen's insurance fund in Greece*

[Conversions into United States currency on basis of drachma=1.3 cents]

Year	Receipts		Expenditures	
	Greek currency	United States currency	Greek currency	United States currency
	Drachmas		*Drachmas*	
1927	37,150,097.01	$482,951	34,426,834.01	$447,549
1928	37,187,864.41	483,442	36,174,368.25	470,267
1929	50,291,882.88	653,794	37,559,988.95	488,280

Greenland

By E. Gjessing, *American Vice Consul, Copenhagen, Denmark*

General Pension System

Old-age pensions are granted to the native inhabitants of Greenland (not white persons) in accordance with a regulation issued by the Minister of the Interior to the Director of the Danish State Monopoly of Greenland.

According to this regulation, an Eskimo (or Greenlander) is entitled to an old-age pension at the age of 55, if it be found that he is unable to provide for his wife and children under the age of 16, and provided that he has not, during the five years preceding his application, been sentenced for the commission of an act which is odious in public opinion, that he has not squandered his substance for the purpose of obtaining an old-age pension, has not led a dissolute life during the preceding five years, and has not received poor relief during the preceding three years.

Application for old-age pension must be made, in writing, to the council for the district in which applicant resides. If the application is found to be in order as to formalities and facts, the pension is granted, the amount being fixed by the council according to the needs of the applicant.

For each old-age pension granted, the State refunds to the district council 100 kroner ($26.80)[86] annually for single persons and 150 kroner ($40.20) for married couples.

Appeal from the decision of the district council can be taken to the Governor of Greenland, and his decision can be appealed to the Minister of the Interior of Denmark.

Of a total Eskimo population in Greenland of approximately 10,000 persons, 500 were granted old-age pensions during the calendar year 1929. The total amount of pensions paid was 51,063 kroner ($13,685), making an average to each pensioner of approximately 102 kroner ($27.34). This amount seems to suffice for the maintenance of the usual living standard of these quite primitive people. They own their own houses and are entitled to the yield of the hunt and fishing after the grant of old-age pensions.

Source for Greenland: Beretninger og Kundgørelser vedrørende Styrelsen af Grønland, Nr., 1926.

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[86] Conversions into United States currency on basis of krone equals 26.8 cents.

Isle of Guernsey

By JOHN H. BRUINS, *American Consul, Southampton, England*

General Pension System

Coverage of System

The old-age pension law of the Isle of Guernsey, passed in 1926, provides a straight, noncontributory pension for all persons aged 70 and over meeting the following requirements: The applicant must have been a British subject for at least 10 years preceding the date of the first pension payment, and must, if he is a native-born British subject, have lived in the Isle of Guernsey for 12 years after attaining the age of 50. If he is a naturalized subject, he must have lived in the Isle of Guernsey for an aggregate period of at least 20 years after reaching the age of 45. Provision is made for women who have lost their status as British subjects through marriage with aliens, and there are careful specifications as to what absences may be permitted without being counted as breaks in the required periods of residence. The applicant must present proof that his yearly means do not exceed £40 ($194.66).[87]

An applicant is disqualified, even though he satisfies the above conditions, if and while he is an inmate of a poor-law institution or an insane asylum, certain exceptions being made in favor of those receiving temporary treatment, and he is also disqualified if, before reaching the pensionable age, he has " habitually failed to work according to his ability, opportunity, and need, for the maintenance or benefit of himself and those legally dependent upon him." The pension will not be paid him while he is in confinement for an offense committed after it has been awarded him, nor for a specified period after his release, the length of the period depending upon the nature of the offense.

Benefits

The benefits under the pension are in accordance with the following schedule, the maximum pension being 8s. ($1.95) per week.

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[87] Conversions into United States currency on basis of pound equals $4.8665; shilling, 24.33 cents.

TABLE 57.—*Schedule of weekly benefits under old-age pension system of Isle c Guernsey*

[Conversions into United States currency on basis of £=$4.8665; shilling=24.33 cents]

Yearly means of claimant or pensioner	Weekly pension	
	British currency	United States currency
	Shillings	
Up to £12 ($58.40)	8	$1.95
Over £12 ($58.40) to £16 ($77.86)	7	1.70
Over £16 ($77.86) to £20 ($97.33)	6	1.46
Over £20 ($97.33) to £24 ($116.80)	5	1.22
Over £24 ($116.80) to £28 ($136.26)	4	.97
Over £28 ($136.26) to £32 ($155.73)	3	.73
Over £32 ($155.73) to £36 ($175.19)	2	.49
Over £36 ($175.19) to £40 ($194.66)	1	.24

Administration

The administration of the pension system is in the hands of the States Old Age Pensions Authority, which is a committee appointed by the " States." The latter term refers to the Legislative Assembly of Guernsey, this body also having certain judicial powers. The committee is composed of the president and six members. In addition there is an administrator of pensions appointed by the States appointments board. The position of administrator is a salaried one.

Statistics of Operation

No official data are obtainable regarding the number of beneficiaries, receipts and expenditures, cost of administration, etc. However, on the basis of the population of the Isle of Guernsey, which in 1921 was 40,529, and the fact that no person of less than 70 years is entitled to a pension, it is estimated that the beneficiaries would not number more than 500. In view of the schedule cited above, it is estimated that the average weekly benefit per person is between 6s. and 7s., or about $1.50. While the cost of administration is not known, it is understood that there are only two persons regularly employed, on a salary basis, in distributing the pensions.

SOURCES FOR ISLE OF GUERNSEY: Ordre en Conseil, Apr. 12, 1926, and July 28, 1928; Ordonnance de la Cour Royale, June 5, 1926, Oct. 23, 1926, and May 7, 1927.

Hungary

By John H. Morgan, *American Consul, Budapest*

The first important measure introducing social insurance in Hungary was Act No. 14 of 1891, enforcing compulsory sickness insurance for all wage-earning employees of registered commercial and industrial undertakings, railway, postal, and telegraphic services, and shipping and forwarding companies.

Act No. 19 of 1907 modernized and unified the compulsory sickness insurance system and supplemented it by instituting compulsory accident insurance for all persons covered by sickness insurance. The act also required compulsory insurance of salaried employees.

Act No. 21 of 1927 centralized the organization of social insurance, widened the scope of sickness and accident insurance, improved the system of benefits, and, with the exception of the sickness insurance fund of the private employees handled by the Private Employees' Insurance Institute, merged all funds into a new central body, the National Workers' Insurance Institute.

Wage Earners' and Salaried Employees' Insurance System

Act No. 40 of 1928, which came into force on January 1, 1929, supplemented the insurance system by invalidity and old-age insurance for all employed persons irrespective of age, sex, or nationality. Private sickness, accident, and invalidity and old-age insurance are permitted in certain branches of industry, but they must provide benefits at least equal to those of the Government system.

The act of 1928 completed and unified the various types of social insurance of Hungary, and from October 1, 1928, the National Workers' Insurance Institute adopted the name "Hungarian National Social Insurance Institute." This institute incorporates in a single legal, organic, and material unit the three branches of compulsory social insurance—accident insurance, old-age insurance, and invalidity insurance—and is authorized to utilize the funds of all three branches of insurance, which are regarded as inseparable and dependent on each other as regards final surplus or loss, success or failure.

Declarations concerning employees and workers liable to insurance are made by the employers on the same report blank for the three branches of insurance. Assessments and payments of the respective contributions are single administrative operations. Administration, expenditures, and social-hygiene measures in connection with all three branches are under unified supervision. The insurance funds received from salaried employees and from manual workers, however, are kept separate. Thus the various types of insurance are handled as a unit for each of the two social groups, but the financial affairs of each group are managed independently. Two committees, one for the workers and the other for the employers, have been established, thereby making full provision for the adjustments necessary in view of the special conditions of private employees as regards benefits, administration, management, and medical and health services.

Coverage of System

All undertakings, public and private works, offices, and occupations covered by the sickness insurance act (Act No. 21, 1927) are also liable to old-age, invalidity, and widows' and orphans' insurance.

The exceptions are: State, city, and other community offices and institutions, and commercial and industrial undertakings under their management; employees of the National Defense, Gendarmerie, Customs Guards, River Gendarmerie, Royal Castle Guard, Royal Crown Guard, and Parliament Guard; also clerks and employees of authorized and approved pension funds, employees of public utilities under Government supervision which provide pensions for their employees, clergymen, members of Postmasters' and Mail Employees' Pension Institute, employees of the Hungarian National Bank, notary public and attorney candidates, and private employees who are members of approved private pension institutes, salaried employees receiving more than 500 pengö ($87.45)[88] per month, or 6,000 pengö ($1,049) per year; apprentices, junior clerks, etc., receiving training without monetary remuneration or payments in kind. Secondary occupations and services rendered by members of families without compensation or for compensation so small as to be insufficient for a living are also exempted. The recognized members of families are the following: Wife, legal or legally adopted children, stepchildren, grandchildren, parents, grandparents, and brothers or sisters of the insured person maintained from his own income. The law is not applicable to employers and employees engaged in agriculture and forestry, animal breeding, fishery, gardening, and viniculture.

The following are compulsorily covered under the law: All persons (other than those in the above-mentioned excepted classes) engaged by an employer to work for regular payments or for any other valuable consideration; home workers; Hungarian employees working in foreign countries for Hungarian employers; household servants and other household employees rendering personal services for fixed wages (janitors, housekeepers, nurses, readers, companions, coachmen, chauffeurs, etc.); newsboys and news carriers; indentured apprentices (even if members of the family) or other family members whose output of work equals that of other regular workers; junior clerks and all other classes of employees receiving training and being paid compensation in money or kind; salaried employees receiving less than 500 pengö per month, or 6,000 pengö per year.

Miners were formerly covered under a system of their own, but this has now been incorporated into the general system, though

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[88] Conversions into United States currency on basis of pengö equals 17.49 cents.

still retaining its former provisions as to contributions, benefits, etc. (See p. 262.)

The coverage of the law may be extended by the Ministry of Social Welfare and Labor to occupations not mentioned in the law, even if they are exempted from sickness insurance, unless specifically excepted by the terms of the law.

No one can be insured under the provision of this law more than once. Liability covers the main occupations, secondary or auxiliary occupations being excepted, and begins at the moment work is begun and ends at the termination of employment.

Persons who are qualified for voluntary sickness insurance are eligible for voluntary old-age and invalidity insurance irrespective of sex and nationality.

Contributions

Insured persons and their employers contribute in equal shares, calculated on a system of capitalization of contributions with interest at 4 per cent per annum. Beginning with the fiscal year 1933–34 the State will contribute an annual subsidy of 4,000,000 pengö ($699,600) to the insurance funds and will increase the subsidy 5 per cent per annum during 50 consecutive years. From 1983 to 1984 the State subsidy will remain fixed. Besides contributing 2,200,000 pengö ($3,847,800) per annum to the budget of the National Social Insurance Institute, the State will pay 1,000,000 pengö ($174,900) a year to cover the cost of administration of the old-age and invalidity insurance branch of that institute and of the Private Employees' Insurance Institute.

The contributions fixed at this rate cover all benefits, the cost of preventive measures and medical treatments, and general administrative expenses.

Every five years the Minister of Social Welfare and Labor will have an audit made to ascertain whether there has been any change in the position of the insured that may call for a revision of the rate of contribution.

Contributions are paid either on the basis of actual remuneration or according to schedules of daily-wage classifications. Assessments of contributions on the basis of actual remuneration can not exceed 4 per cent of the payments received by wage earners, while the income of salaried employees can not be assessed on this basis higher than 5 per cent of their salaries. In the case of daily-wage schedules assessed contributions may not exceed 3.5 per cent of the average daily wage of wage earners and 4.3 per cent of the average daily salary of salaried employees.

The limits of daily-wage schedules, the average daily wage of each classification, and the contributions in each schedule are fixed by the Ministry of Social Welfare and Labor.

Under a ministerial decree dated January 1, 1929, the following basic schedule is in force, except for those who come under the classification of section 4 of Act 40 of 1928 (salaried employees with monthly earnings of not to exceed 500 pengö ($87.45) or annual earnings of 6,000 pengö ($1,049.40).

TABLE 58.—*Schedule of wage classes and contributions for wage earners under old-age insurance system in Hungary*

[Conversions into United States currency on basis of pengö=17.49 cents]

Wage class	Wages per day		Average daily wages upon which contribution is based		Contributions per day [1]	
	Hungarian currency	United States currency	Hungarian currency	United States currency	Hungarian currency	United States currency
	Pengő		*Pengő*		*Pengő*	*Cents*
Class I	Up to 1	Up to $0.17	1.00	$0.17	0.04	0.70
Class II	1–2	$0.17– .35	1.50	.26	.06	1.05
Class III	2–3	.35– .52	2.50	.44	.10	1.75
Class IV	3–4	.52– .70	3.50	.61	.14	2.45
Class V	4–5	.70– .87	4.50	.79	.18	3.15
Class VI	5–6	.87–1.05	5.50	.96	.22	3.85
Class VII	6–7	1.05–1.22	6.50	1.14	.26	4.55
Class VIII	7–8	1.22–1.40	7.50	1.31	.30	5.25
Class IX	8–9	1.40–1.57	8.50	1.49	.34	5.95
Class X	Over 9	Over 1.57	9.50	1.66	.38	6.65

[1] Basis of contributions: 3.428571 per cent of average daily wages.

TABLE 59.—*Schedule of wage classes and contributions for salaried employees under old-age insurance system in Hungary*

[Conversions into United States currency on basis of pengö=17.49 cents]

Salary class	Salary				Average salary per day		Contributions per day [1]	
	Per day		Per month					
	Hungarian currency	United States currency	Hungarian currency	United States currency	Hungarian currency	United States currency	Hungarian currency	United States currency
	Pengő		*Pengő*		*Pengő*		*Pengő*	*Cents*
Class A	2	$0.35	50	$8.75	1.50	$0.26	0.08	1.40
Class B	2– 4	$0.35– .70	50–100	$8.75–17.49	3.00	.52	.16	2.80
Class C	4– 6	.70–1.05	100–150	17.49–26.24	5.00	.87	.26	4.55
Class D	6– 8	1.05–1.40	150–200	26.24–34.98	7.00	1.22	.36	6.30
Class E	8–10	1.40–1.75	200–250	34.98–43.73	9.00	1.57	.46	8.05
Class F	10–12	1.75–2.10	250–300	43.73–52.47	11.00	1.92	.56	9.79
Class G	12–16	2.10–2.80	300–400	52.47–69.96	14.00	2.45	.70	12.24
Class H	16–20	2.80–3.50	400–500	69.96–87.45	18.00	3.15	.90	15.74

[1] Basis of contributions: 4.285714 per cent of average daily salary.

The contributions for old-age and invalidity insurance are payable with the sickness insurance contributions in a lump sum. Payment of contributions is suspended during sickness or inability to earn wages while under medical treatment, provided the employer is not paying full wages during the period. In case wages are paid in full, contributions are payable during such period also. Employers who neglect the provisions of prescribed health protective measures must pay supplementary contributions amounting to 50 per cent of the basic contribution, and employers are forbidden to deduct anything therefor from the employees' wages.

The law provides for joint liability for the payment of basic and supplementary contributions for the following types of employers: In the case of corporations and incorporated societies, of the board of directors and administrative directors; in the case of other enterprises and workshops, of the several owners; in the case of institutions, associations, and companies, of the management and the person directly responsible for all payments due. Contractors are jointly responsible with subcontractors and their legal successors until the original contract is completed.

Benefits

The age for old-age benefits is fixed at 65 years. The insured wage earner is considered to be an invalid when, as a result of a disease or infirmity, he is not able to earn one-third of the average wages received by a wage earner with the same occupational training and experience. A salaried employee is granted an invalidity benefit when incapable of earning one-half of the amount received by other employees with the same qualifications.

To be eligible for benefits, in the case of old-age benefits, the insured must have paid contributions for 400 weeks and for invalidity, or widow's and orphans' annuities for 200 weeks. To keep the benefit in force, the insured must make at least 13 weekly payments each year. If the contributions of the insured during any calendar year were for less than 13 weeks, his right to benefit ceases.

The benefit consists of two parts, the basic benefit amounting to 120 pengö ($20.99) a year and a supplementary benefit in proportion to the additional weekly payments made by the insured, amounting for salaried employees to 19 per cent of the accrued annual payments and for the wage earners 24 per cent. For each child supported by the beneficiary he is entitled to a 5 per cent children's allowance, calculated on the basic and supplementary benefits, the total children's allowance, however, not to exceed 20 per cent of such basic and supplementary benefits.

The widow of a salaried employee or of a wage earner over 65 years of age or permanently invalided is entitled to a yearly benefit for life amounting to half the benefit of the deceased, provided the deceased had completed the 200 weeks' contributions and had kept his right alive. Widows under the age limit and those not invalids are not entitled to receive a yearly benefit, but receive a lump sum equal to the annual benefit of the deceased. Widows who remarry receive as final settlement a lump sum equal to a widow's benefit for one year.

The orphans of salaried employees and of wage earners are entitled to 15 per cent of the benefit to which the deceased was entitled, provided the deceased had completed the 200 weeks' contributions and had kept his right alive. Orphans of salaried employees receive a yearly benefit to the age of 18 years and those of wage earners up to the age of 15 years or in exceptional cases up to 17 years.

The widow's benefit is fixed at 50 per cent; the orphan's benefit, where one parent is dead, is fixed at 15 per cent; and where both parents are dead, at 30 per cent of the benefit of the deceased insured with intact rights.

In case a person receiving an invalidity or old-age benefit takes a new position in which he is liable to insurance and becomes again disabled, upon reaching the age of 65 years he will receive an additional annual benefit of 24 per cent or 19 per cent, according to his class, of the total contributions paid by him from the beginning of his first benefit to the date on which the additional benefit became due. A totally disabled widower unable to earn his living, and dependent on his wife when she was alive, is also entitled to a benefit. Invalidity benefits are not granted in cases of willfully induced disability and no widow's or orphan's benefit is granted in cases of suicide of an insured person.

Act No. 40 of 1928 provides that the National Social Insurance Institute must allocate 6 per cent of the total contributions paid for insurance against invalidity, old age, and death to the creation of a special fund, to be used solely for promoting public health and industrial safety. The contributions collected may not be used for other purposes than the benefits enumerated, the prevention of invalidity or premature loss of working capacity, the application of measures of health protection and medical treatment, the restoration to health of temporarily disabled persons, the establishment of curative institutions, and administrative expenses. The health protection measures serve three purposes: To avert premature invalidity, to delay as long as possible a run-down state of health causing disability, and to insure the recovery of disabled persons. The invalidity and old-age insurance funds are preferably to be spent on prevention and prophylaxis; medical treatment is neither a benefit nor a right of insured persons. Provision is made for health officers, a matrimonial consulting office, forest schools for children, widespread control to combat tuberculosis, and also prophylactic measures for infants by means of so-called "protectors of families," systematic and periodical medical examination of all insured.

Administration

The invalidity, old-age, and widows' and orphans' insurance is administered by the National Social Insurance Institute and the Private Employees' Insurance Institute. The by-laws of the unified organization are fixed by the Ministry of Social Welfare and Labor.

The executive organs of the institute are the general meeting, the board of directors, the president's department, the contribution assessment committee, the financial committee, and the district trustees' committee.

The administration of the institute is placed in the following administrative branches: Management, personnel, legal, sanitation, social political, and old-age insurance, sickness insurance, accident insurance, miners' pension, assessment and collection, controller's, caretaker, budget and credit, audit, board of supervisors, and central treasury.

The executives are elected by the general meeting, while the personnel of the administrative branches is appointed by the Government. The members of the general meeting number 360, equally divided between employers and employees.

Employers are required to report every person who is liable for insurance, within eight days of entering employment, to the district treasury of the National Social Insurance Institute, giving in detail all data required by the regulations, and are financially responsible for all contributions assessed and for all expenditures caused by delayed reporting or payments and all expenses resulting from negligence.

Contributions for old-age and invalidity insurance are assessed and payable at the same time as the sickness insurance contributions. The contributions for compulsory old-age and invalidity insurance collected at district treasuries must be paid in full to the central treasury of the institute, which has the sole right of disposition of the receipts. Four funds are provided for the administration of receipts: An old-age, invalidity, widows', and orphans' insurance administration fund; an old-age, invalidity, widows', and orphans' insurance health-protection and medical-treatment fund; an old-age, invalidity, widows', and orphans' compulsory insurance benefits reserve fund; and an old-age, invalidity, and widows' and orphans' voluntary insurance benefits reserve fund.

The National Social Insurance Institute is required to distribute receipts from contributions of the old-age and invalidity insurance as follows: Four per cent is credited to the administration fund, 6 per cent to the health-protection and medical-treatment fund, and 90 per cent to the compulsory or voluntary insurance benefits reserve funds, according to the classification and proportion of contributions collected for each branch.

To prevent the cost of invalidity and old-age insurance from becoming too heavy a charge on national production, sums paid in the form of contribution are put into circulation again as soon as possible in the form of constructive investments. Security is the first consideration, economic and social reasons coming next. A considerable proportion of reserve funds must be invested in national bonds; 30 per cent is by preference invested in redeemable interest-bearing mortgage bonds. Part of the reserve funds is used to develop the building industry by extending credit at reasonable rates of interest for a modern housing policy.

The system of registration is based on a card-index file. Each insured employee and wage earner has an individual card on which his personal record, employment, and all payments are entered in chronological order, showing the accumulation of credits for qualification. The total time and payments are taken into consideration in fixing the amount of the basic and supplementary benefits. Claims for old-age, invalidity, and widows' and orphans' benefits must be filed in writing, or in exceptional cases orally, either by the claimant or by his legally authorized attorney, and the amount of the benefit is fixed by the benefits committee, on the basis of maintenance of the right to benefit, completion of contribution period, and valuation of total contributions paid. Invalidity and widows' invalidity benefits once fixed are reconsidered after two years from the first disbursement and again within four years, and temporary invalidity cases after one but within two years. In case, on the second examination, the first allotment is approved a new reconsideration is not allowed for five years.

Delayed and irregular reports, overdue payments, irregular entries or nonentry in the wage register are minor offenses, punishable by fines ranging from 1,000 to 3,000 pengö ($175 to $525). Intentional misstatements with the aim of nonpayment of contributions due, refusal to give information or to place entry books at the disposal of the officials of the institute, illegal labor agreements, or illegal deductions from wages or salaries are misdemeanors punishable by fine or jail sentence.

Employers are financially responsible for all assessed contributions, and the collection of contributions has precedence over commercial payments ordered by the courts in insolvency or bankruptcy cases.

The institute maintains one central office, 22 district treasury offices, 14 provisional field offices, and 22 subtreasury offices equipped with facilities for medical examination. The expenditures for administration are distributed pro rata among the various branches of social insurance.

Statistics of Operation

The balance sheet of old-age, invalidity, widows' and orphans' insurance fund as of December 31, 1929, is as follows:

TABLE 60.—*Balance sheet of old-age, invalidity, and widows' and orphans' insurance fund of Hungary, as of December 31, 1929*

[Conversions into United States currency on basis of pengö=17.49 cents]

Item	Hungarian currency	United States currency
Assets	*Pengö*	
Balance at Postal Savings Bank	222,827.28	$38,972
Balance at other banking institutions	2,137,297.22	373,813
Real property	3,321,669.69	580,960
Equipment and supplies	256,393.61	44,843
Arrears of employers	12,176,111.30	2,129,602
Interest for 1930 on the bond issue of 7,672,839 pengö ($1,341,980) paid in advance	653,393.32	114,278
Advances to contractors	5,403,403.38	945,055
Debt of the sickness insurance branch	8,293,617.62	1,450,554
Total	32,464,713.42	5,678,078
Liabilities		
Compulsory insurance reserve fund	12,355,906.52	2,161,048
Voluntary insurance reserve fund	1,406.18	246
Health-protection and medical-treatment reserve fund	665,769.00	116,443
Total, reserve funds	13,023,081.70	2,277,737
Administration expenses deducted	914,819.94	160,002
Net reserve fund	12,108,261.76	2,117,735
Overdue and uncollected contributions and supplemental charges	12,176,111.30	2,129,602
Employers' credits	12,176.85	2,130
Bond issue due Dec. 31, 1930	7,672,839.16	1,341,980
Contributions collected but not transferred	495,324.35	86,632
Total	32,464,713.42	5,678,078
Distribution of paid-in contributions		
Receipts:		
Assessed contributions for 1929	24,511,879.54	4,287,128
Supplement assessed on employers' arrears	345,055.58	60,350
Total assessments	24,856,935.12	4,347,478
Contributions in arrears	11,358,098.31	1,986,531
Total collection of contributions and supplements	13,498,836.81	2,360,947
Contributions to miners' fund	8,583.36	1,501
Contributions paid by voluntary insured	1,541.78	270
Total receipts	13,508,961.95	2,362,717
Disbursements:		
Administration fund	540,358.48	94,509
Health-protection and medical-treatment fund	810,537.72	141,763
Compulsory insurance benefit reserve fund	12,156,678.15	2,126,203
Voluntary insurance benefit reserve fund	1,387.60	243
Total	13,508,961.95	2,362,717

The net income of the old-age, invalidity, and widows' and orphans' branch amounted to 13,508,961.95 pengö ($2,362,717) and administrative expenditures to 2,450,000 pengö ($4,285), of which 950,000 pengö ($1,662) was received as State contribution. The 4 per cent administration fund closed during the first year with a deficit of 914,894.94 pengö ($160,015). The 6 per cent health-protection and medical-treatment fund closed with a surplus of 419,536.67 pengö ($73,394). The compulsory insurance benefits reserve fund, with accrued interest and other income invested in building enterprises, amounted to 12,355,906.52 pengö ($2,161,048). The balance sheet of this fund, however, shows that the sickness insurance branch utilized 8,293,617.62 pengö ($1,450,554) of the benefits reserve as a loan, and the shortage had to be covered by obtaining a short-term bond-issue loan amounting to 7,672,839.16 pengö ($1,341,980).

The latest report of the board of directors on the status of the National Social Insurance Institute for the general meeting held on September 28, 1930, regarding the expected development of sickness insurance business during the current and following years supplies the following data.

The number of insured receiving sick benefits has been steadily increasing. Between 1909 and 1917 the number of beneficiaries represented from 1.6 to 1.8 per cent of the average annual membership. The percentage increased between 1918 and 1925 from 2.1 to 2.5 per cent, in 1926 to 2.8 per cent, in 1927 and 1928 decreased to 2.5 per cent, and in 1929 increased again to 2.9 per cent. While the lowered standard of living of the laboring class during the last 10 years might have reacted somewhat on the average health conditions and the class might have become less resistant against exposure, the board of directors believes that the supervision of the sick beneficiaries is too lenient and benefits are claimed and received by persons who might be found not entitled to such benefit if the supervision were more frequent and more rigorous. It is suggested that such abuses should be prevented by expanding the system of supervision.

The hospital charges are also steadily increasing. Such expenditures in 1925 amounted to 6.59 pengö ($1.15), in 1926 to 7.43 pengö ($1.30), in 1927 to 8.18 pengö ($1.43), in 1928 to 7.74 pengö ($1.35), and in 1929 to 10.82 pengö ($1.89) per capita. Expenses for medical treatment follow the same tendency. The per capita expenditures under this heading amounted in 1925 to 4.55 pengö ($0.80), in 1926 to 4.90 pengö ($0.86), in 1927 to 5.72 pengö ($1), in 1928 to 8.72 pengö ($1.53), and in 1929 to 9.13 pengö ($1.60).

Administrative expenses show the largest increase. The per capita administrative expenditures amounted in 1926 to 5.48 pengö ($0.96), in 1927 to 6.25 pengö ($1.09), in 1928 to 10.07 pengö ($1.76), and in 1929 to 14.29 pengö ($2.50).

The number of insured covered by the law totaled 782,819 in 1927, 794,508 in 1928, and 770,472 in 1929. Of the total number, 627,967 are covered by old-age and invalidity insurance. As the law began its operation in 1929 there are no insured persons as yet entitled to benefits.

The strictly administrative staff of the institute amounted in 1928 to 1,892 men, which at the end of 1930 was increased to 2,971 men.

The cost of administration during 1929 is calculated at 3.90 pengö (68 cents) per member. Administrative expenses represented, in 1927, 8.39 per cent of the total contributions assessed; in 1928 this cost increased to 15.13 per cent.

There has been a striking difference between assessments and uncollected contributions during the last three years, as may be seen from the following table:

TABLE 61.—*Amount of assessments and uncollected contributions under Hungarian old-age insurance system, 1927, 1928, and 1929*

[Conversions into United States currency on basis of pengö=17.49 cents]

Year	Assessments		Arrears	
	Hungarian currency	United States currency	Hungarian currency	United States currency
	Pengö		*Pengö*	
1927	47, 801, 790	$8, 360, 533	20, 726, 915	$3, 625, 137
1928	52, 867, 537	9, 246, 532	22, 436, 948	3, 924, 222
1929	55, 373, 559	9, 684, 835	31, 277, 084	5, 470, 362

This comparison shows that the proportion of arrears of employers increased to more than 50 per cent of the assessments. The business year 1930, is expected to close with a deficit of about 9,000,000 pengö ($1,574,100).

The board of directors hopes to relieve and remedy the critical situation by cutting down the personnel to the absolute minimum, and by giving notice to all temporary employees. In execution of these measures the board of directors has suspended the taking on of new employees, but the reduction of personnel must be carried out by the Ministry of Social Welfare and Labor.

Miners' Insurance System

The insurance and sick benefit association was formerly an independent system and has only recently been incorporated in the national old-age insurance system. Several revisions of the rules and regulations of this branch of the social insurance system have been made, and even the latest, issued in 1931, is not considered final. Up to date, the following decrees governing this branch have been issued: Ordinance No. 4400–1926 N. M. M. Eln.; Decrees Nos. 6100–1928 M. E., 600–1929 M. E., 4459–1927 N. M. E., 3885–1929 N. M. E., and 20–1931 N. M. E.

Coverage of system.—All mining and smelting operations coming under the miners' law, as well as all auxiliary operations in which the minor officials and employees were members of one of the miners' provident funds on January 1, 1927, are liable to miners' insurance. The following classes of employees are covered by the law: (1) Minor official staff and clerical help; (2) unclassified assistants of minor official staff; (3) skilled miners and skilled technical help, certified machinists and firemen; and (4) all other employees liable to insurance not classified in the first three classes.

According to the data obtained from the Royal Hungarian Bureau of Statistics, the compulsory miners' law, at the end of 1929, covered 824 mining and smelting enterprises and their branches, employing 41,504 men.

Contributions.—The contributions are payable in equal amounts by the insured and their employers.

The contributions for the wage earners are paid at the rate of 5.25 per cent of the wages and those for the salaried employees at the rate of 6.25 per cent of the salary.

The table following shows for each of the wage and salary classes, the amount of contribution required.

Table 62.—*Contributions required under Hungarian miners' old-age insurance system*

[Conversions into United States currency on basis of pengö=17.49 cents]

Wage earners

Wage class	Daily wages in wage class		Contribution required for—					
			1 day		2 days		3 days	
	Hungarian currency	United States currency	Hungarian currency	United States currency	Hungarian currency	United States currency	Hungarian currency	United States currency
	Pengö		*Pengö*		*Pengö*		*Pengö*	
Class I	Up to 1	Up to $0.17	0.08	$0.01	0.14	$0.03	0.20	$0.04
Class II	1–2	$0.17–.35	.10	.02	.20	.04	.28	.05
Class III	2–3	.35–.52	.16	.03	.32	.06	.46	.08
Class IV	3–4	.52–.70	.22	.04	.44	.08	.66	.12
Class V	4–5	.70–.87	.28	.05	.56	.10	.84	.15
Class VI	5–6	.87–1.05	.34	.06	.68	.12	1.02	.18
Class VII	6–7	1.05–1.22	.40	.07	.80	.14	1.20	.21
Class VIII	7–8	1.22–1.40	.46	.08	.92	.16	1.38	.24
Class IX	8–9	1.40–1.57	.54	.09	1.06	.19	1.58	.28
Class X	Over 9	Over 1.57	.60	.10	1.18	.21	1.76	.31
	Daily wages in wage class		4 days		5 days		6 or 7 days or 1 week	
	Pengö		*Pengö*		*Pengö*		*Pengö*	
Class I	Up to 1	Up to $0.17	0.26	$0.05	0.32	$0.06	0.38	$0.07
Class II	1–2	$0.17–.35	.38	.07	.46	.06	.56	.10
Class III	2–3	.35–.52	.62	.11	.76	.13	.92	.16
Class IV	3–4	.52–.70	.86	.15	1.08	.19	1.30	.23
Class V	4–5	.70–.87	1.12	.20	1.38	.24	1.66	.29
Class VI	5–6	.87–1.05	1.36	.24	1.70	.30	2.02	.35
Class VII	6–7	1.05–1.22	1.60	.28	2.00	.35	2.40	.42
Class VIII	7–8	1.22–1.40	1.84	.32	2.30	.40	2.76	.38
Class IX	8–9	1.40–1.57	2.10	.37	2.62	.46	3.10	.54
Class X	Over 9	Over 1.57	2.34	.41	2.92	.51	3.50	.61

TABLE 62.—*Contributions required under Hungarian miners' old-age insurance system*—Continued

Salaried employees

Salary class	Daily salary in salary class		Contribution required for—					
			1 day		2 days		3 days	
	Hungarian currency	United States currency	Hungarian currency	United States currency	Hungarian currency	United States currency	Hungarian currency	United States currency
	Pengő		*Pengő*		*Pengő*		*Pengő*	
Class A	2	$0.35	0.12	$0.02	0.22	$0.04	0.34	$0.06
Class B	2- 4	$0.35- .70	.22	.04	.44	.08	.66	.12
Class C	4- 6	.70-1.05	.38	.07	.74	.13	1.10	.19
Class D	6- 8	1.05-1.40	.52	.09	1.04	.18	1.54	.27
Class E	8-10	1.40-1.75	.66	.12	1.32	.23	1.98	.35
Class F	10-12	1.75-2.10	.82	.14	1.62	.28	2.42	.42
Class G	12-16	2.10-2.80	1.04	.18	2.06	.36	3.08	.54
Class H	16-20	2.80-3.50	1.32	.23	2.64	.46	3.94	.69

Salary class	Daily salary in salary class		4 days		5 days		6 or 7 days or 1 week	
	Pengő		*Pengő*		*Pengő*		*Pengő*	
Class A	2	$0.35	0.44	$0.08	0.56	$0.09	0.66	$0.12
Class B	2- 4	$0.35- .70	.88	.15	1.10	.19	1.32	.23
Class C	4- 6	.70-1.05	1.46	.26	1.84	.32	2.20	.38
Class D	6- 8	1.05-1.40	2.06	.36	2.56	.45	3.08	.54
Class E	8-10	1.40-1.75	2.64	.46	3.30	.58	3.94	.69
Class F	10-12	1.75-2.10	3.22	.53	4.02	.73	4.82	.84
Class G	12-16	2.10-2.80	4.10	.72	5.12	.90	6.14	1.07
Class H	16-20	2.80-3.50	5.26	.92	6.58	1.15	7.88	1.38

Benefits.—The benefits provided under the miners' insurance are of the same type as those under the general system for wage earners and salaried employees. They include an old-age annuity for the insured, disability benefit for the insured, widows' benefit, and benefits to orphan children under 16 years of age.

The old-age and invalidity annuity becomes payable at age 65, or at 60 years after 40 years' contributions, or at 60 years after 25 years' service (and contributions) in underground work as an assistant official, pick miner, or assistant pick miner.

The annuity varies according to the number of years for which contributions have been made. Thus, an insured person with 10 years' contributions is entitled to an annuity amounting to 20 per cent of the basic rate of his salary or wage class; if he has contributed for more than 10 years but less than 40 years, he is entitled to an additional 2 per cent of the salary or wage for each year's contribution in excess of 10 years; after completion of 40 years' contributions the insured is entitled to an annuity of 80 per cent of the basic pay.

If disabled, the insured becomes eligible for the disability annuity after 10 years' contributions.

The widow's benefit amounts to 50 per cent of the amount to which her deceased husband was entitled at the time of his death, and the children's benefit amounts to 15 per cent of their father's benefit, but the total amount of the survivors' benefit may in no case exceed the full amount to which the deceased was entitled at the time of his death.

Benefits are paid monthly in advance. They can not be ceded or attached.

Administration.—With two exceptions, the employers and employees liable to miners' pension and invalidity insurance are members of the National Social Insurance Institute. The exceptions are the Royal Hungarian State Iron and Steel Works at Diósgyör and the Royal Hungarian State coal mines at Komló; these are owned by the Government and the employees are covered by Government miners' provident funds.

Statistics of operation.—No data are available as to the operation of the scheme.

SOURCES FOR HUNGARY: Magyar Közigazgatási Törvények (official report), by Melly Jozsef and Pap Géza, Budapest, 1930, pp. 607–791; Az, Országos Tarsadalombiztositó Intézet, Alapszabálya, Budapest, 1930, pp. 16–24; Az, Országos Tarsadalombiztositó Intézet, Társadalombiztositási Közlöny, Budapest, 1930, Vol. XXIV, No. 5, pp. 476–483; Az, Országos Tarsadalombiztositó Intézet, Társadalmi Biztosítási Statistika (Budapest?), 1923–1929, vols. 1–16; Az, Országos Tarsadalombiztositó Intézet, Jelentése az 1929, Évi Müködéséről, Budapest, 1930; Ordinance No. 4440–1926 N. M. M. Eln.; decrees Nos. 4459–1927 N. M. E., 6100–1928 M. E., 600–1929 M. E., 3885–1929 N. M. E., and 20–1931 N. M. E.

Iceland

By E. Gjessing, *Vice Consul, Copenhagen, Denmark*

General System

Old-age benefits or relief in Iceland are granted and distributed according to the Icelandic law of July 9, 1909.

Contributions.—The financial burden of old-age pension or relief is borne by each local district or community. Contributions are required from all persons between the ages of 18 and 60, the rate for men being 1.50 kroner (40 cents) [39] and that for women 0.75 krone (20 cents) per annum. People who are sick and disabled, who have served a sentence in prison, and persons over 60 who have acquired a life annuity of at least 150 kroner ($40) are exempt from contribution. The State contributes an amount equal to 0.50 krone (13 cents) for each taxable person in the community.

Benefits.—Application for old-age pension or relief must be made from year to year. It is granted as a yearly financial support and is not a sum fixed for the lifetime of the applicant.

All persons over 60 without any visible means of support, who have no vicious habits, and who have lived an honest life, are entitled to old-age pension. The annual old-age pension must not be less than 20 kroner ($5.36) nor exceed 200 kroner ($53.60).

Statistics of operation.—No statistics exist as to the amounts distributed in pensions in Iceland, nor as to the number of persons relieved. The State of Iceland contributed in 1928, however, 47,646 kroner ($12,769) toward the cost of the pensions, and as the State's contribution is about one-third of the total amount, it is estimated that in 1928 a total amount of $38,000 was expended for this purpose.

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[39] Conversions into United States currency on basis of krone equals 26.8 cents.

Irish Free State

By Benjamin M. Hulley, *American Consul, Dublin*

General Pension System

Old-age pensions were established in the United Kingdom from 1909 on, and the system was continued by the Irish Free State Government from its establishment in 1922.

Coverage of System

Pensions are now granted in the Irish Free State to persons who are able to meet four requirements, which, expressed without legal qualifications, are as follows: (1) Age—70 years and over; (2) Means—not to exceed £39 5s. ($191.01)[40] per year; (3) Nationality—British subject; (4) Residence—12 years in the British Isles after reaching the age of 50, if a native-born British subject; or 20 years in the British Isles, if not a native-born British subject. In the case of blind persons the age limit is 50 years.

Contributions

Old-age pensions are a State charge, borne wholly by the taxpayers, and are paid from the central funds of the Government.

Benefits

The weekly benefits, fixed according to the yearly means (i. e., means of support, as contrasted with income) of each pensioner, as calculated under the old-age pension acts, are as follows:

Table 63.—*Weekly benefits under old-age pension system of Irish Free State*

[Conversions into United States currency on basis of pound=$4.8665; shilling, 24.33 cents; penny, 2.03 cents]

Annual income	Weekly benefits	
	Irish currency	United States currency
	Shillings	
Not exceeding £15 12s. 6d. ($76.04)	10	$2.43
£15 12s. 6d. to £18 5s. ($76.04-$88.81)	9	2.19
£18 5s. to £20 17s. 6d. ($88.81-$101.59)	8	1.95
£20 17s. 6d. to £23 10s. ($101.59-$114.36)	7	1.70
£23 10s. to £26 2s. 6d. ($114.36-$127.14)	6	1.46
£26 2s. 6d. to £28 15s. ($127.14-$139.91)	5	1.22
£28 15s. to £31 7s. 6d. ($139.91-$152.69)	4	.97
£31 7s. 6d. to £34 ($152.69-$165.46)	3	.73
£34 to £36 12s. 6d. ($165.46-$178.24)	2	.49
£36 12s. 6d. to £39 5s. ($178.24-$191.01)	1	.24
Over £39 5s. ($191.01)	0	0

[40] Conversions into United States currency on basis of pound equals $4.8665; shilling, 24.33 cents.

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Administration

The pension system is administered by the revenue commissioners under the Department of Finance, the application for pensions being made to a local pensions committee, usually a subcommittee of the local county or urban council. The department of appeals of the Ministry of Local Government and Public Health has appellate jurisdiction.

Statistics of Operation

In 1928 (the latest period for which statistics have been published) 112,059 persons were receiving old-age pensions, and the figures for the three previous years show no notable fluctuation from this figure. Each year 12,500 to 14,000 pensioners die and are replaced by others. The majority of the population over 70 years of age receive the old-age pension, to judge from the census of 1926, which showed 88,222 persons aged 75 years and over, and 183,458 persons aged 65 to 74 years.

The following figures show the number of pensioners in each benefit group in 1928 (the total including 2,650 blind persons receiving pensions):

Weekly benefit:	Number of pensioners
10 shillings ($2.43)	14,785
9 shillings ($2.19)	71,800
8 shillings ($1.95)	8,204
7 shillings ($1.70)	4,674
6 shillings ($1.46)	7,396
5 shillings ($1.22)	2,445
4 shillings (97 cents)	2,530
3 shillings (73 cents)	1,450
2 shillings (49 cents)	982
1 shilling (24 cents)	443
Total	[41] 114,709

The old-age pension expenditure in 1928, estimated on the basis of pensions payable on the last Friday of December, 1927, was £2,468,056 ($12,010,794.52). There may have been a slight increase since then, as the 10-shilling rate went into effect in 1928. This gives an average of about $107 per pensioner per year.

The cost of administration can not be estimated, since the law is administered by Government officials who have other functions as well. The chief difficulties of administration arise in determining age when the birth has not been recorded and in estimating annual means, and a large part of the legislation is aimed at meeting the latter difficulty.

SOURCES FOR IRISH FREE STATE: Old-age pensions acts, 1908, 1911, 1919, 1924, and 1928; Blind persons act, 1920; Old-age pensions consolidated regulations, 1922 (statutory rules and orders No. 2001 of 1921); Financial instructions for pension committees and subcommittees (Cmd. 1659).

[41] Includes 47,693 men and 67,016 women.

Italy

By T. Jaeckel, *American Consul General, Rome*

A voluntary system of insurance against old age and invalidity was instituted by the law of July 17, 1898. Under this system the only form of intervention by the State was that under certain conditions it made out of its own funds a supplementary allowance which was used to increase the benefit purchased by the voluntary contributions of the insured.

The decree of April 21, 1919, created a system of compulsory insurance against invalidity and old age. After the passage of this decree the National Fund for Workmen's Invalidity and Old-Age Pensions (*Cassa nazionale di previdenza per la invalidità e la vechiaia degli operai*), created by the law of 1898 to administer the system of voluntary insurance, assumed the title of National Fund for Social Insurance (*Cassa nazionale per le assicurazioni sociali*). It continued to administer the voluntary insurance but also took over the administration of the newly established compulsory insurance.

Voluntary Insurance

Coverage of System

Among those who may now obtain voluntary insurance are: Those compulsorily insured; the independent laborers, including small farm owners; tradesmen; industrial workers; and those in the liberal professions who pay to the State a direct annual tax of not more than 500 lire ($26.30)[42]; their wives, if they attend to domestic work, and also women having other ties of relationship who attend to domestic work for insurable persons.

Contributions

No limit is established for the contributions, but they must reach an average of 18 lire (95 cents) per year.

It is provided that in case of the death of the insured before the benefit becomes payable, the full amount of his contributions shall be paid to his family.

Benefits

The old-age benefit may, as a rule, be claimed or paid at the age of 60 years for men and 55 for women, after at least 10 years' insurance, irrespective of the amount of the contributions. The invalidity benefit may be paid after a minimum of five years' insurance. The amount of benefit varies according to the amount of the contributions, calculated from the age of the insured at the time of each separate contribution to the age when the benefit is paid.

The State increases this basic benefit by one-third or one-sixth (depending upon whether the insured is only voluntarily or both voluntarily and compulsorily insured), but not to exceed 100 lire ($5.26) per year. In case of invalidity the benefit may, under certain

[42] Conversions into United States currency on basis of lira equals 5.26 cents.

conditions when it would be insufficient, be raised at least to th minimum of 120 lire ($6.31) per year.

Statistics of Operation

On January 1, 1931, about 500,000 persons were insured under the system, in an amount totaling 326,000 lire ($17,147,600).

General Compulsory Insurance System

Coverage of System

The act of April 21, 1919, which went into effect on July 1, 1920, established compulsory insurance against invalidity and old age. The act was amended in 1923 and again in 1925, 1928, and 1929. The amended act covers all citizens, of both sexes, between the ages of 15 and 65 years, who work for an employer in any industry, trade, or profession, including home or cottage industries, agriculture, and public service, or who are engaged in domestic service in any private employment. Aliens in these occupations are also compelled to take out insurance, but are entitled to the State contribution only if reciprocal treatment is granted to Italians in the countries of which they are citizens.

Exemptions.—The following persons are exempt from the insurance obligation: (1) Salaried employees whose average monthly salary exceeds 800 lire ($42.08); (2) share and tenant farmers; (3) all seamen during service on Italian vessels, provided they are insured in the Merchant Marine Invalidity Fund; (4) State and public service employees for whom insurance is already provided.

Voluntary insurance.—Independent laborers, including small farm owners, tradesmen, industrial workers, and those in the liberal professions, who pay annually to the State a direct tax of not more than 500 lire ($26.30), may, as already stated in a previous paragraph, be inscribed among the voluntarily insured.

Contributions

The contribution is made in equal shares by the insured and by the employer. The amount of the contribution varies with the daily earnings of the insured person. Payment is made each fortnight, as follows:

TABLE 64.—*Biweekly contributions of employer and employee under Italian compulsory insurance system*

[Conversions into United States currency on basis of lira=5.26 cents]

Daily earnings	Biweekly contribution of—			
	Employer		Employee	
	Italian currency	United States currency	Italian currency	United States currency
	Lire	*Cents*	*Lire*	*Cents*
2 lire (10.5 cents) or less	0.50	2.6	0.50	2.6
2–4 lire (10.5–21.0 cents)	1.00	5.3	1.00	5.3
4–6 lire (21.0–31.6 cents)	1.50	7.9	1.50	7.9
6–8 lire (31.6–42.0 cents)	2.00	10.5	2.00	10.5
8–10 lire (42.0–52.6 cents)	2.50	13.2	2.50	13.2
Over 10 lire (52.6 cents)	3.00	15.8	3.00	15.8

These contributions are paid at the same time as the contributions for compulsory insurance against unemployment and tuberculosis.

The employer is responsible for the contributions, which are collected by means of stamps affixed to special insurance cards.

The State contributes an amount equal to 100 lire ($5.26) per year for each benefit.

Benefits

Benefits are granted to the insured at 65 years of age when the insured has made at least 240 contributions, and at any age in case of permanent disability when the insured has made at least 120 contributions. The insured is considered permanently disabled if his earning ability is reduced to less than one-third of the current earning ability of wage earners in the same occupation in the same locality. Benefits at a lower rate may be obtained at 60 years of age.

The annual benefit paid consists of two parts—the part corresponding to the contributions made by the insured and his employer, and the part granted by the State. The first part is equal to five times the average annual contributions paid during the insurance (from the beginning to the date of payment of benefit), plus three-tenths of the total amount paid in in contributions; the State's share of the benefit amounts to 100 lire ($5.26) a year. The total benefit thus established is increased by one-tenth for every child under 18 years of age dependent on the insured.

In case of the death of an insured person before his benefit becomes payable, his widow or his children under 15 years of age are entitled to receive a monthly grant of 50 lire ($2.63) for six months.

Administration

The insurance system is managed by the National Social Insurance Institute, the council of which is made up of two representatives of employers and of the insured, two insurance experts, and one representative each of the Ministries of Finance, Agriculture and Forestry, and Communications, and the presidents of the National Fund for Accidents and the National Institute of Life Insurance.

Special adaptations for insurance of agricultural workers.—The compulsory insurance of agricultural laborers, and especially of the day laborers in the country, presented from the very outset a difficult problem in connection with any practical application of the law. This difficulty was experienced more especially in the application of the system of insurance stamps because of the transitory and desultory nature of the relation between the workers and the farmers who employ them, and often also because of the distance of many of the farms and estates from the inhabited centers in which the insurance stamps could be procured.

In the case of persons working for fixed wages (farm hands bound by contract to work on the farms, whether residing on them or not) the difficulties in applying the law were easily overcome. The position of the permanent laborers is, naturally, less precarious than that of the mere day laborers.

However, in order to make possible a better application of the law of compulsory insurance (for invalidity, old age, and tuberculosis), an agreement in behalf of the field laborers has been concluded by the National Confederation of Employers of Farm Labor, the National Federation of the Fascist Union of Farm Laborers, and the National Fund for Social Insurance, with the following terms:

(*a*) In the case of the permanent laborers the insurance is to be effected through the ordinary system of individual tickets or the system of a regular list of permanent laborers which the proprietor of the farm or estate draws up every year and sends to the Provincial Federation of the Employers of Farm Labor.

(*b*) In the case of the day laborers the insurance is to be effected by the payment of a sum "à forfait"; that is, a sum paid down and calculated according to the extent of the land or the kind of work of each proprietor. The contributions paid in this way are then to be credited to each laborer singly and per capita, in a uniform measure for all, or individually on the basis of the number of days of work; this number is to be reported by the employer or by the farm employment offices to the institute of the national fund.

The above agreement is at present being examined by the Ministry of Corporations and will have to be submitted to the Parliament for legislative approval.

Statistics of Operation

The estimated number of insured in 1929 was 5,500,000. In that year benefits were paid to 120,363 old-age beneficiaries, in the sum of 74,685,142.80 lire ($3,928,439) and averaging 630 lire ($33.14) per person. In the same year 54,225 persons received invalidity benefits totaling 34,945,774.45 lire ($1,838,148) and averaging 644 lire ($33.67) per person. During 1929 survivors' benefits were paid in 11,284 cases.

In 1929 the contributions paid by the insured amounted to 423,662,497 lire ($22,284,647), and the expenses of the insurance to 19,189,000 lire ($1,009,340). The expense for each insured risk was approximately 3.49 lire (18 cents). The total spent for benefits and administration was 136,248,639 lire ($7,166,678).

Japan

By Arthur Garrels, *American Consul, Tokyo*

Old-age pensions and insurance systems as such do not exist in Japan. There are, however, certain forms of workers' compensation, besides a Government system of voluntary life and endowment insurance.

In discussing these institutions it is essential that there be borne in mind the relationship long existing in Japan between the employer and the employee. That relationship, which to-day is still basically feudal, is a relic of the days before the introduction of western methods to Japanese industry. The functioning of a scheme under which a low wage scale is offset by an obligation assumed by the employer to maintain the employee, to a greater or lesser degree, in periods during which his services are not required or during disability, to provide compensation for injury, to pay a bonus, or to establish a life annuity upon dismissal from further service, eliminated the necessity of providing for any or all such benefits under legal compulsion or through governmental institutions. While the paternalism inherent in this scheme was voluntary and not a legal requirement, it was a practice strictly adhered to, based on long usage and altogether congruous to the feudal spirit that prevailed throughout Japan.

The growth of the industrial unit, however, as a corollary to the advent of western methods to Japanese industry demanded flexibility in labor supply in the interest of economic administration. Such mobility of labor was not possible without economic loss, if the employer strictly adhered to the obligations assumed under the unwritten tenets of the feudal system. Since the employer was under no legal compulsion to continue such obligations, he sought to curtail his responsibility toward his workmen. This gave rise to protests and complaints on the part of labor generally, and created the first labor consciousness among the Japanese.

The necessity for legislation protective of labor was a natural sequence to the employer's tendency to shirk his previously assumed obligations and responsibility. This necessity was initially met by the promulgation of the "factory act" on March 28, 1911, which was the first labor legislation in Japan. Subsequent labor legislation included amendments to the factory act of 1922; the health insurance act of 1922 with its amendment, as well as various imperial decrees and departmental regulations pertaining to the foregoing.

In 1916 a system of voluntary life and endowment insurance was organized under the post-office administration to provide life and endowment insurance opportunities to small-wage earners, and in

1926 a system was put into force whereby the sale of annuities by the post office was authorized. The annuity plan is described below.

Voluntary Insurance—Post-Office Annuities

The history of post-office annuities dates as far back as 1897, but the annuities were actually introduced only in October, 1926.

The annuities are divided into two classes: Immediate and deferred. The payment of deferred annuities commences at the age of 50, 55, 60, and 65 years, as specified in the contract. The insurable age in the case of deferred annuities is between 12 and 60 and in the case of immediate annuities between 40 and 80.

The amount of contributions is calculated on the basis of a mortality table compiled by deducting 20 per cent for males and 30 per cent for females from the general mortality rates of the population in Japan.

The rate of interest allowed in the calculation of the value of annuities under the installment-payment plan is 5 per cent, and under the single-payment plan is determined from time to time by the Minister of Communications upon the basis of the current market price of public bonds. In 1929 the rate of interest was 5½ per cent.

The reserves to be maintained against policies are worked out by the net-contribution method.

The maximum annuity that can be purchased by any one person is 2,400 yen ($1,198),[43] and the minimum is 120 yen ($60) under the installment-payment plan or 12 yen ($5.99) under the single-payment plan, for the contributions are made either by the single-payment or installment plan.

In an immediate annuity, the payment of the annuity begins on the date of the contract and continues until death, and in a deferred annuity the annuity begins at a certain age, specified in the contract, and continues until death.

At the end of the fiscal year 1928–29 there were 178,036 contracts in force. Contributions amounted to 16,669,163 yen ($8,317,912), and the aggregate value of the annuities was 12,899,536 yen ($6,436,868).

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[43] Conversions into United States currency on basis of yen equals 49.9 cents.

Lithuania (Memel Territory)

By Hugh S. Fullerton, *American Consul, Kovno, Lithuania*

General Insurance System

The district of Memel is a part of the territory forfeited by Germany in accordance with the treaty of Versailles.

The German legislation, in general, ceased to be effective in the Memel district on December 31, 1922. However, on January 1, 1923, the general old-age insurance law, which is practically the old German law with some amendments, went into effect. This law has not yet been published.

Coverage of System

Regardless of sex, the following who have reached the age of 14 years of age are subject to compulsory insurance:

(1) Laborers, employees, assistants, apprentices, student servants, domestic servants, assistants in pharmacies, trade assistants, members of crew of sea-going vessels liable to insurance, and members of crews of inland vessels.

(2) Managing clerks, technicians, workmasters, other employees holding higher positions regardless of their educational status, as well as members of orchestras regardless of their artistic ability.

(3) Teachers and educators in nonofficial schools and institutions.

(4) Captains of vessels mentioned above, as well as various officers, managers, and assistants regardless of their educational status, provided the above is their principal profession.

The following are exempt from compulsory insurance:

(1) Wives employed in their husbands' offices, and vice versa; (2) employees of the State, employees of the Memel Government, municipal officers, community officers, officers of the State insurance company and legal corporations, and teachers and educators of official schools and institutions; (3) persons who teach for compensation while engaged in study of their future profession; (4) members of religious societies, deacons, and like persons, provided they are engaged in nursing, teaching, and other useful work and who enjoy free board and lodging as compensation; and (5) children, stepchildren, adopted children, and foster children of an employer, working in the establishment of the latter without compensation, as well as members of the family, parents, and parents-in-law of the employer.

The following may be released from compulsory insurance, upon the application of the employer: (*a*) Apprentices of all kinds as long as they are working in establishments belonging to their parents, (*b*) persons supported in workers' colonies during unemployment, or in similar institutions, and farm laborers, employees, apprentices, and servants permanently employed on a farm. Persons who are physically capable of part-time work only and those who can prove their membership in an insurance company supervised by the State as regards their old-age insurance may be released from compulsory insurance upon their own application.

Voluntary insurance is open to members of the family of an employer working without compensation, and to industrialists and other business men who either have no employees or a maximum of two, whose yearly income does not exceed 4,000 lits ($400).

Contributions

The amount of the social insurance contribution for the working year 1930 was set at 11 per cent of the basic wages, of which contribution 7 per cent was for sickness insurance and 4 per cent for old-age insurance. Half of the contribution is paid by the employer and half by the worker.

The table following shows the system of contribution:

TABLE 65.—*Rate of contribution under old-age insurance system of Memel Territory*

[Conversions into United States currency on basis of litas=10 cents]

Wage class	Daily earnings of wage class		Daily rate used as base for contributions		Amount of weekly contribution	
	Lithuanian currency	United States currency	Lithuanian currency	United States currency	Lithuanian currency	United States currency
	Lits		*Lits*		*Lits*	
Class 1	Up to 1.00	$0.10	0.90	$0.09	0.24	$0.02
Class 2	1.00- 2.17	$0.10- .22	1.80	.18	.48	.05
Class 3	2.17- 3.33	.22- .33	2.70	.27	.72	.07
Class 4	3.33- 4.67	.33- .47	4.00	.40	1.08	.11
Class 5	4.67- 6.33	.47- .63	5.40	.54	1.44	.14
Class 6	6.33- 8.00	.63- .80	7.20	.72	1.92	.19
Closs 7	8.00-10.67	.80-1.07	9.00	.90	2.40	.24
Class 8	10.67-14.00	1.07-1.40	12.70	1.27	3.36	.34
Class 9	14.00 and over	1.40	16.30	1.63	4.32	.43

The table below explains the classification of wages:

TABLE 66.—*Earnings used as basis for computation of contributions under old-age insurance system of Memel Territory*

[Conversions into United States currency on basis of litas=10 cents]

Wage class	Yearly earnings		Yearly basic wages	
	Lithuanian currency	United States currency	Lithuanian currency	United States currency
	Lits		*Lits*	
Class 1	300	$30	270	$27
Class 2	300- 650	$30- 65	540	54
Class 3	650-1,000	65-100	810	81
Class 4	1,000-1,400	100-140	1,200	120
Class 5	1,400-1,900	140-190	1,620	162
Class 6	1,900-2,400	190-240	2,160	216
Class 7	2,400-3,200	240-320	2,700	270
Class 8	3,200-4,200	320-420	3,810	381
Class 9	4,200 and over.	420 and over.	4,890	489

The insured persons are required to make a contribution each week for 200 weeks; thereafter they must make at least 20 contributions during every 2-year period.

Benefits

The benefits paid to the insured persons consist of three parts: A basic amount consisting of 168 lits ($16.80) a year; a supplementary amount representing 15 per cent of the capital paid in; and a supplementary amount, granted by the State, consisting of 96 lits ($9.60). Thus, a beneficiary in wage class 7, with an (assumed) 2,000 weeks' contributions of 2.40 lits each, or a total of 4,800 lits, would enjoy a benefit of 984 lits per year, derived as follows: (1) 168 lits, plus (2) 15 per cent of 4,800 lits, or 720 lits, plus (3) 96 lits.

The widow of an insured person is entitled to half of the full benefit of the deceased, and each child under 15 to one-fifth of his benefit; the total survivors' benefit, however, may not exceed 150 per cent of the basic benefit to which the deceased was entitled.

Administration

The employees as well as the employers elect 15 persons each as delegates for a period of five years. These delegates form two committees, each of which elects three delegates to the presidential council or board. From this board the president is selected, who serves for 12 years and is a State employee though paid by the insurance company.

The duties of the committees are to check and approve the budget, to approve new statutes or dispositions, to fix the rate of contribution, and to control the various enterprises and construction work.

The presidential board is administratively responsible together with the president.

Statistics of Operation

The number of persons covered in 1928 amounted to 23,275, in 1929 to 23,942, and in 1930 to 25,148. The population of the Memel Territory numbers 141,645 persons.

In 1928 there were 341 persons receiving the old-age insurance annuity and in 1929, 416. The average amount of benefit is about 270 lits ($27) per person per year.

The receipts of the old-age pension insurance included in the invalids paragraph were 35,088 lits ($3,609) whereas the expenditures (for benefits presumably) amounted to 112,408.60 lits ($11,241) for the year 1928–29.

Luxemburg

The social insurance system of Luxemburg operates as six independent units, each with separate funds, management, and control. The first social insurance law was passed in 1911 and the first forms of insurance to be undertaken were those providing against old age and invalidity of wage earners, industrial accidents, and agricultural accidents. The laws at present on the books provide also for sickness insurance, unemployment insurance, and old-age and invalidity insurance for salaried employees. The act relating to unemployment insurance, however, has not yet been put into active operation.

Wage Earners' Insurance System [44]

Old-age and invalidity insurance was first provided for in 1911, but a new law was passed December 17, 1925, which embraced new features and made adjustments in the system in conformity to changed conditions. This law was in turn amended by a law of November 20, 1929.

Coverage of System

The law relating to old age and invalidity provides for the compulsory insurance of industrial workers and of certain classes of clerical and other employees over 16 years of age whose annual earnings do not exceed 10,000 francs ($278) [45] per year.

Voluntary insurance is open to employees, clerks, foremen, etc., under 40 years of age whose earnings are in excess of 10,000 francs. employers who do not ordinarily employ more than two workers subject to insurance, home workers, and persons who are temporarily employed, teachers, servants, and agricultural and forestry workers.

Persons in the military and civil service of the Government are included in a separate pension system administered exclusively by the Government and provided for in the annual budget.

Contributions

Since January 1, 1928, the employers and workers insured have been required to contribute at the rate of 4 per cent of the latters' earnings, half being paid by the employer and half by the worker. The worker's share is withheld from his wages, and the employer is responsible for seeing that it is paid. The law provides that the contribution rate may be revised every three years, on the basis of the experience of the past 3-year period.

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[44] Material for this section supplied by Frederick L. Washbourne, American vice consul at Luxemburg.

[45] Conversions into United States currency on basis of franc equals 2.78 cents.

For each benefit the State grants a varying supplemental amount, 20 per cent of which must be borne by the commune in which the beneficiary resides.

Benefits

Old-age and invalidity benefits.—The old-age benefit is payable at age 65, provided the person has been insured for at least 2,400 working-days.[46]

The invalidity benefit may be paid at any age, provided the insured is permanently incapacitated through illness and provided he has been insured for at least 1,200 working days. A person is regarded as being an invalid when he is unable because of his infirmities to earn more than a third of his ordinary earnings in a line similar to that for which he was trained.

In the case of foreign workers, the required period of insurance for eligibility to both old-age and invalidity insurance is 2,400 working days. This may, however, be reduced in the case of foreign workers whose countries extend, to natives of Luxemburg resident there, benefits equal to those under the present law.

The benefit varies with the wage and period of insurance of the beneficiary. The basic benefit is equal to 25 per cent of the average annual wages of the insured, but for every year during which the person was insured, in excess of four years, this amount is increased by 8 per cent in case of invalidity and by 6 per cent in case of old age. This basic benefit (and, eventually, certain additional benefits) is paid from the insurance fund. To this the State adds a supplemental amount varying according to the amount of the basic benefit, as follows:

TABLE 67.—*Amount of State supplement to old-age and invalidity benefit in Luxemburg*

[Conversions into United States currency on basis of franc=2.78 cents]

Basic benefit	State supplement	
	Francs	United States currency
Old-age and invalidity benefit:		
2,000 francs ($55.60) or less	800	$22.24
2,001-3,000 francs ($55.63-$83.40)	700	19.46
3,001-5,000 francs ($83.43-$139.00)	500	13.90
5,001-8,000 francs ($139.03-$222.40)	250	6.95
Widows' benefit:		
1,000 francs ($27.80) or less	500	13.90
1,001-1,500 francs ($27.83-$41.70)	400	11.12
1,501-2,500 francs ($41.73-$69.50)	300	8.34
2,501-4,000 francs ($69.53-$111.20)	200	5.56
Orphans' benefit	120	3.34

In addition to the basic benef t and the supplemental allowance, the beneficiary is entitled to mily allowances, payable from the insurance fund. These allow ces are paid in respect of children under 16 dependent upon the nuitant, as well as of children past

[46] I. e., 8 "working years" of 300 day ach.

that age if incapacitated for earning a living. The allowance amounts to 10 per cent of the total benefit (basic amount, plus State supplement) for one child, 18 per cent for two children, 25 per cent for three children, and 5 per cent additional for each child above three.

Survivors' benefits.—Survivors' benefits are payable only if the deceased insured had made contributions for the required number of weeks.

A widow is entitled to benefit in the following cases: If she is 55 years of age or over; if her husband was incapacitated and drawing invalidity benefit; if she herself is an invalid and has three children under 18 years of age; or if she has a child wholly incapacitated from earning his living, because of mental or physical infirmities.

The widow's or widower's annuity amounts to one-half and the orphan's benefit to one-fifth of the invalidity benefit which the insured person was drawing or would have drawn in the case of invalidity at the time of death, but the total amount of the survivors' benefit may not exceed the invalidity benefit to which such a person was entitled. The widow's or widower's benefit ceases upon remarriage and that of an orphan upon reaching 16 years of age.

Medical, etc., treatment.—The insurance institution may institute curative treatment if there is reason to believe that this procedure will either avert the impending invalidity of the insured person, widow, widower, or orphans, or restore the lost earning capacity.

Administration

The administration of the law is in the hands of the Old-Age and Invalidity Insurance Institute, which is controlled by a governing body made up of a chairman and an equal number of representatives of the employers and employees. Claims for the payment of pensions are submitted to the governing body, and in case of a dispute as to the allowance of a pension, the amount of the pension, or the date at which it should begin, the claimant may appeal from the decision to the arbitration court. The chairman of the body is an official appointed by the Government. He may be assisted by a vice chairman and one or more councilors. The salaries and pensions of these officials and all office expenses are borne equally by the State and the Social Insurance Institute.

Statistics of Operation

Approximately 50,000 persons are covered by the social insurance law. At the close of 1928 there were 1,425 persons receiving old-age annuities, and 2,405 persons receiving invalidity benefits, while 951 were receiving widows' and orphans' benefits. The total receipts of the fund in 1928 were 29,868,880.95 francs ($830,355); the total expenditure for benefits amounted to 3,356,247.52 francs ($93,304), and for medical and sanitarium treatment for members and their families to 3,712,833.66 francs ($103,217). In the last quarter of 1930 nearly 300 persons were receiving institutional care under the insurance system.

Salaried Employees' Insurance System

By a law dated January 29, 1931, the system of old-age and invalidity insurance was extended to salaried employees not covered by the general law of 1925.

Coverage of System

The law covers all salaried employees, not included under the general system, who are employed in all types of private enterprise and are under 25 years of age.

Contributions

The total contribution to the pension fund amounts to 10 per cent of the total annual remuneration of the insured person, 5 per cent being paid by the employer and 5 per cent by the employee. If the total annual earnings are less than 7,200 francs, however, the employee pays 5 per cent of his actual earnings, while the employer is required to pay 5 per cent of 7,200 francs plus the difference between the employee's contribution and 5 per cent of 7,200 francs. In other words, the total contribution must in every case be at least 10 per cent of 7,200 francs.

Benefits

The law provides for an annuity beginning at age 66; a disability allowance in case of permanent invalidity or of temporary invalidity lasting more than three months; widows' and orphans' benefits; special death allowances; special payments to insured women; and preventive or curative medical treatment. No insured person is entitled to any of these benefits unless the contributions have been paid for 60 months.

The old-age and invalidity annuity consists of three parts: (1) A uniform basic benefit of 3,600 francs ($100.08); (2) 14 per cent of the total contributions paid into the account of the insured; and (3) an allowance for each child under 18 years of age who is in the legal charge of the beneficiary, this allowance amounting to 1,200 francs ($33.36) per year for each child. An additional payment is made by the State to annuitants whose annual income, including the benefit, does not exceed 15,000 francs ($417); this supplementary payment amounts to 500 francs ($13.90) for annuities not exceeding 5,000 francs ($139) and 250 francs ($6.95) for annuities between 5,000 and 8,000 francs. In no case may the total benefit exceed the average of the five highest annual salary payments nor five-sixths of the highest annual earnings (including supplementary payments).

The annual remuneration on which the pension is based includes, beside the salary, any additional payment of bonuses which the employee receives from the principal occupation. If the annual remuneration, including such supplementary payments, is below 7,200 francs ($200.16), however, that amount will be considered the annual remuneration for the purpose of fixing the contributions.

The benefit of the surviving husband or wife amounts to six-tenths of the benefit which the insured person was receiving at the time of death; and the orphans' benefit amounts to two-tenths of this sum, but if both parents are dead, to twice this amount. The total pensions of the survivors may not exceed the amount of the original annuity.

Administration

The insurance funds are to be administered by a commission composed of a president appointed by the Government and an equal number of delegates elected by the employers and the insured, but at least 10 in number. The actual operation of the system is carried on through an executive committee composed of the president of the commission (acting as chairman) and an equal number of the representatives of the insured and the employers, chosen by and from the members of the commission.

The act provides, however, that administration may be transferred to the Old-Age and Invalidity Insurance Institute which administers this branch of insurance for wage earners.

The cost of administration is to be borne half by the State and half by the insurance fund.

SOURCES FOR LUXEMBURG: Loi du 17 decembre 1925, concernant le code des assurances sociales; Arrêté grand-ducal du 26 juillet 1929; Loi du 20 novembre 1929, portant revalorisation des rentes de vieillesse et d'invalidité; Mémorial du 21 mars 1931; and Etablissementes d'Assurances Sociales (assurance-vieillesse et invalidité), Compte-rendu de l'exerice 1928.

Netherlands

By Charles L. Hoover, *Consul General, Amsterdam*

The law establishing the old-age pension and insurance systems in the Netherlands was enacted on June 5, 1913, but the war broke out before it took effect, and it was put into operation by royal decree on March 21, 1919, after some modifications had been made in its provisions. It has since been further amended by royal decrees of December 24, 1924; October 17, 1927; December 15, 1927; February 11, 1928; April 27, 1928; September 3, 1928; November 7, 1928; June 1, 1929; June 18, 1929; June 20, 1929 (three decrees were issued on this date); October 11, 1929; October 15, 1929; October 28, 1929; and May 11, 1930; and by the law of April 24, 1929. The decrees referred largely to minor details connected with the routine prescribed in the law.

There are two kinds of old-age insurance in the Netherlands, the first, which was established by the law of June 5, 1913, being compulsory insurance of workers against incapacity to work on account of either old age or bodily or mental infirmity, while the second is the system of voluntary insurance for all inhabitants of the Netherlands, created by the law of November 4, 1919.

Compulsory Insurance for Workers

Coverage of System

The law of June 5, 1913, provides for the compulsory insurance of all workers more than 14 years of age who receive wages of less than 2,000 florins ($804)[47] per year. The insurance of those insured while receiving less than this limit is continued until the income of the worker reaches 3,000 florins ($1,206) per year, beyond which limit he must pay the contributions himself.

Anyone, regardless of age, sex, or station in life may be insured under the law of 1913, but for workers insurance is compulsory, although a worker may also insure himself under the voluntary old-age annuity law at his own expense.

The law provides that the following classes of workers shall be exempt from the operation of the law:

1. Workers not already compulsorily insured who work for wages as a calling, but on jobs of short duration only.
2. Workers who have already reached the age of 35 years without having been insured.
3. Invalid workers not already insured.
4. Workers assured of a pension by the Government.

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[47] Conversions into United States currency on the basis of florin equals 40.2 cents.

5. Workers insured against invalidity or assured of a pension by a public body, provided the Crown finds that the system designed for such insurance meets the requirements of the invalidity law.

6. Railway workers insured by the railway companies in accordance with the law of 1875.

7. Workers on behalf of whom the conditions for invalidity and old-age pensions have already been established by law.

8. Workers in the service of a corporation and insured against invalidity and old age by the employer, or by a pension fund established by the corporation in such manner as to guarantee the payment of the pension or annuity.

While the law provides that workers who have reached the age of 35 without having become liable to compulsory insurance do not become liable after that age, a royal decree of November 28, 1919, establishing general regulations for the application of the law, stipulates that the worker who through no fault of his own has not been insured may acquire insurance through application and the payment of back premiums from his sixteenth year. In calculating the basic annuity, the back payments are considered as regular payments, but the increase in this basic amount (see pp. 289, 290) is based only on the premiums paid for the period after the worker was actually insured.

Foreign workers are not subject to compulsory insurance when employed in the Netherlands by a foreign individual or concern, although foreign workers employed by Netherlanders must be insured.

Type of Law

The system established by the law provides for a straight pension to begin at such time as the worker reaches the age of 65 years, or in case he is incapacitated for work. The pension may also continue to the widow and orphans of the insured after his decease.

It should be mentioned that invalidity and old-age annuities, or pensions, are both provided for in the law of June 5, 1913, and that there is no separate legislation for compulsory old-age pensions. As has already been stated, voluntary old-age pensions are established by the law of November 4, 1919. It is also observed that the laws of the Netherlands carefully distinguish between pensions earned by service over a period of years, and annuities granted for the support of those who are incapacitated from earning their livelihood through either bodily or mental infirmities or old age. The payments to persons in the latter category are always called annuities (*rente*) in the law, and accrue to the beneficiary only through the payment of premiums over a certain period, while pensions are more in the nature of adjusted compensation granted according to uniform rules to those who have served a public or a private corporation for a minimum length of time. In the case of annuities the Government contributes such part of the funds as may be necessary to supplement the income arising from the premiums paid by the employer of the beneficiary who is compulsorily insured.

Contributions

Government contribution.—To provide funds for the payment of the invalidity and old-age pensions established by the law of 1913, the Government is contributing according to the following scale: (1) For 1920 to 1923, 21,500,000 florins ($8,643,000) per year; (2) for 1924 and 1925, 1,800,000 florins ($723,600) per year; (3) for 1926, 9,423,000 florins ($3,788,046); (4) for 1927, 11,423,000 florins ($4,592,046); (5) for 1928, 13,423,000 florins ($5,396,046); (6) for each of the remaining 66 years, 17,623,000 florins ($7,084,446).

These sums have been calculated from actuaries' tables and are supposed to supply the amount necessary to place the annuity fund on a self-supporting basis at the end of the period of 75 years. Provision was made in the law for the advance by the Government of such sums as were necessary to meet the payments which might become due on account of annuities before funds were available from premiums paid.

Employer's contributions.—The law of June 5, 1913, provides that the contribution must be paid by the employer, with a few minor exceptions, and the employer is prohibited from withholding the amount thereof, or any part of it, from the wages due the employee. The contribution is paid by the insured, however, during the weeks in which he has no employer.

The managing directors in the Netherlands of foreign concerns are considered by the law to be the employers. Foreign concerns are compelled to choose a domicile in the Netherlands if they employ labor there.

The classification of workers for the payment of contributions has been changed from time to time, but is now as follows:

Male workers	Weekly contribution (florin)
Class 1. Workers, irrespective of age, paid entirely in kind	0.25 ($0.10)
Class 2. Workers between 14 and 18 years of age employed in institutions of art or science, theaters, concert halls, amusement places, etc	.30 ($0.12)
Class 3. Workers between 14 and 18 years of age	.40 ($0.16)
Class 4. Workers between 18 and 21 years of age	.50 ($0.20)
Class 5. Workers 21 years of age and over	.60 ($0.24)
Female workers	
Class 1. Workers, irrespective of age, paid entirely in kind	.25 ($0.10)
Class 2. Workers employed in institutions of art or science, theaters, concert halls, amusement places, etc	.30 ($0.12)
Class 3. Workers between 14 and 21 years of age	.40 ($0.16)
Class 4. Workers 21 years of age and over	.50 ($0.20)

Some exceptions to this scale are provided, but they do not affect the general application of these rates, as they are in force only in certain industries. The exceptions provide, for the greater part, for the payment of class 2 contribution for women employed in certain industries, while a higher rate is payable in certain other industries, such as diamond-cutting establishments, hair-dressing shops, cafés and hotels, as well as for nurses, employees of the telephone and telegraph service, and office workers. The class 2 contribution rate applies only to women and to male workers between 14 and 18 years of age.

The contributions must be paid by the workman himself when he is unemployed or when the insurance has lapsed. This latter may happen only when the worker is unable to meet the conditions for insurance over a period of six months through incapacity for work, when he has reached the age of 35 years, when he falls in one of the exempted classes, or when his wages are above 3,000 florins ($1,206) per year.

The employer must pay the contribution when the worker is employed on piecework outside the factory, or workshop, the wage scale for the payment of the contribution being calculated on the following basis:

	Florins per day
Class 1	0.40 ($0.16)
Class 2	.80 ($0.32)
Class 3	1.40 ($0.56)
Class 4	2.00 ($0.80)
Class 5	3.00 ($1.20)

Payment of contributions.—Payment of the contributions is made either by means of stamps placed on the so-called " rente card," or by cash payment to the official labor board. The manner of paying the contribution is decided by the Crown after the Superior Labor Board, the directorate of the National Insurance Bank, and the Insurance Board have been heard on the subject. However, each payment of a contribution must finally appear on the card in the form of stamps, these being placed by the employer unless he be, for any reason, permitted to pay in cash, in which case the stamps must be affixed by the local labor board. This latter provision has never been put into effect, however.

Stamps must be placed on the card only by calendar weeks which fall in whole or in part within the period of validity of the card.

The labor board is authorized to permit the workers who are required to pay their contributions themselves to affix the necessary stamps. Such workers are defined as those whose work is principally carried on outside the workshop and not under the supervision of the employer, but such cases must be determined by royal decree after the competent advisory boards have been heard. The money value of the stamps to be affixed in such cases must be paid by the employer to the workman at the time the amount due for wages is paid. East stamp affixed is evidence that the contribution has been paid.

Stamps.—Ordinarily, and for persons regularly employed, a stamp covers the contribution due for each week, but " day " stamps may be affixed (1) for workers who accept employment which continues less than four days, and (2) for workers who, as a rule, are in the service of the same employer for not more than three days in the same week.

The amount of the contribution is determined in accordance with the age rate or the special rate which is provided for the class of work done.

The cost of the day stamps is somewhat greater, proportionately, than those for the payment of the weekly contribution, the following table showing the value of the day stamps to be affixed for the various classes of insurance:

TABLE 68.—*Value of "day" stamps affixed for each class of compulsory insurance in the Netherlands*

[Conversions into United States currency on basis of florin=40.2 cents]

Class	Weekly premium		Value of "day" stamp	
	Netherland currency	United States currency	Netherland currency	United States currency
	Florin		*Florin*	
Class 1	0.25	$0.10	0.07	$0.03
Class 2	.30	.12	.07	.03
Class 3	.40	.16	.10	.04
Class 4	.50	.20	.12	.05
Class 5	.60	.24	.12	.05

The duty of the employer to affix or pay for the stamps ceases when the wages of the worker reach 3,000 florins ($1,206) per year, but beyond this limit the worker may keep the insurance in force by paying for the stamps himself.

Contribution cards.—Contribution cards are made up for the insured worker by the labor board upon application by the worker. The forms for the contribution cards are prescribed by royal decree, and the validity of a card begins on the day of issue, though in case the insurance obligation begins before the card is issued the labor board is authorized to state on the card the date on which it became effective, but the date may not be set forward to a period earlier than that on which the insurance obligation begins.

In case the card is not issued, as a result of negligence of the worker, the labor board is authorized to permit him to declare whether he wishes the card to date from the day on which he began work, and if not to specify the date he wishes to appear thereon.

The cards are made up without cost to either employer or worker; however, in case a new card is desired to replace one lost by the insured before all the spaces for stamps have been filled, but after having been used for more than one week, he may obtain a duplicate from the labor board on payment of 0.05 florin (2 cents). The labor boards are authorized to exact 0.50 florin (20 cents) in certain cases, but 0.45 florin (18 cents) may be ordered refunded by the bank if the application of the insured for such refund is approved.

The worker must keep and care for his card himself unless he has deposited it with his employer for safekeeping and been given a receipt therefor, but he may at any time demand the return of the card so deposited.

The Government assumes no responsibility for stamps placed on cards until these cards are formally surrendered to the labor board for booking. However, in case the insured worker can show to the satisfaction of the insurance bank that the card, together with the stamps affixed thereto, has been burned or destroyed in other manner, and can produce proof as to the number, class, and (if two or more stamps have been affixed) value of the stamps on the card, the loss is made good, and the labor board issues a new card on which the number and class of the contributions represented by the stamps which were destroyed are noted, together with the period over which the contributions are considered to have been paid.

The insurance cards are filed by the National Insurance Bank after they have been surrendered to the labor board by the insured at the close of the period they cover. These cards are canceled by the bank, in case this has not already been done by the labor board, and they may be destroyed under conditions set forth by royal decree.

Insurance books.—When the first insurance card is issued to a worker who has not been insured previously, he is also given, free of charge, an insurance book of a prescribed form, which contains a summary of his rights and duties under the law. This book must state the number of contributions shown by the affixed stamps on each insurance card as its use for a given period ceases. This notation is made by the labor board, and the entries in the insurance book must agree with the insurance cards. The worker must place his book at the disposal of the labor board for the necessary entries; in case he fails to do so, the labor board sends him a statement of the amount with which he has been credited on his last insurance card. These books are not considered evidence of the rights of the insured, but are merely for the purpose of keeping him informed as to the date and amount of the contributions he or his employer has paid.

Penalties.—Penalties are imposed for failure to comply with the law and the labor boards are charged with the duty of tracing and investigating infractions of the law, with the assistance of the police authorities when necessary. The penalties are mostly in the form of fines, although imprisonment may be imposed in certain cases. One of the most severe punishments prescribed is for the affixing of canceled stamps instead of new ones, imprisonment for not more than six months or a fine of not more than 600 florins ($241) being prescribed for this misdemeanor. Anyone who has been guilty of the same offense within the preceding five years shall be imprisoned for not more than one year, without the option of a fine.

Penalties are provided for workers who are guilty of fraud in connection with the insurance, the heaviest being two years for the person who is guilty of deceiving the officials regarding his identity so as to obtain a false card.

Benefits

Beneficiaries.—Insured persons who become incapacitated for work after 150 contributions have been paid on their insurance, and those who reach the age of 65 years are entitled to annuities based on the amounts of the contributions paid. Invalidity and old-age annuities may not be enjoyed concurrently by any beneficiary, but one receiving an annuity for invalidity may be granted an old-age annuity instead if that be higher, and conversely. Anyone who purposely injures himself to produce invalidity, or who procures such fraudulent injury, or who is injured in the perpetration or attempted perpetration of a crime of which he is convicted may not receive an invalidity annuity.

Annuities may not be assigned, pledged as security, nor attached for debt.

Amount of benefits.—The Labor Board of Amsterdam has issued the following table of benefits which may be received by insured persons who become eligible for annuity through invalidity or old age, the first column indicating the number of years during which stamps have been placed on the cards, the figures parallel therewith being the varying amounts of the annuity in accordance with the weekly contribution (stamp) of the worker.

TABLE 69.—*Amount of invalidity and old-age annuity under Netherlands compulsory insurance system*

[Conversions into United States currency on basis of florin = 40.2 cents]

Contribution period	Weekly contributions of—									
	0.25 florin (10 cents)		0.30 florin (12 cents)		0.40 florin (16 cents)		0.50 florin (20 cents)		0.60 florin (24 cents)	
	Netherland currency	United States currency	Netherland currency	United States currency	Netherland currency	United States currency	Netherland currency	United States currency	Netherland currency	United States currency
	Florins		*Florins*		*Florins*		*Florins*		*Florins*	
3 to 8 years	78.00	$31.36	93.60	$37.63	124.80	$50.17	156.00	$62.71	187.20	$75.25
9 years	78.26	31.46	93.86	37.73	125.06	50.27	156.26	62.82	187.46	75.36
10 years	79.56	31.98	95.68	38.46	127.40	51.21	159.12	63.97	191.10	76.82
11 years	81.12	32.61	97.24	39.09	129.74	52.16	162.24	65.22	194.48	78.18
12 years	82.68	33.24	99.06	39.82	132.08	53.10	165.10	66.37	198.12	79.64
13 years	83.98	33.76	100.88	40.55	134.42	54.04	167.96	67.52	201.50	81.00
14 years	85.54	34.39	102.70	41.29	136.76	54.98	170.82	68.67	205.14	82.47
15 years	86.84	34.91	104.26	41.91	139.10	55.92	173.68	69.82	208.52	83.83
16 years	88.40	35.54	106.08	42.64	141.44	56.86	176.80	71.07	212.16	85.29
17 years	89.96	36.16	107.90	43.38	143.78	57.80	179.66	72.22	215.54	86.65
18 years	91.26	36.69	109.46	44.00	146.12	58.74	182.52	73.37	218.92	88.01
19 years	92.82	37.31	111.28	44.73	148.46	59.68	185.38	74.52	222.56	89.47
20 years	94.12	37.84	113.10	45.47	150.80	60.62	188.24	75.67	225.94	90.83
21 years	95.68	38.46	114.92	46.20	153.14	61.56	191.36	76.93	229.58	92.29
22 years	97.24	39.09	116.48	46.82	155.48	62.50	194.22	78.08	232.96	93.65
23 years	98.54	39.61	118.30	47.56	157.82	63.44	197.08	79.23	236.60	95.11
24 years	100.10	40.24	120.12	48.29	160.16	64.38	199.94	80.38	239.98	96.47
25 years	101.40	40.76	121.68	48.92	162.24	65.22	202.80	81.53	243.36	97.83
26 years	102.96	41.39	123.50	49.65	164.58	66.16	205.92	82.78	247.00	99.29
27 years	104.52	42.02	125.32	50.38	167.18	67.21	208.78	83.93	250.38	100.65
28 years	105.82	42.54	127.14	51.11	169.26	67.94	211.64	85.28	254.02	102.12
29 years	107.38	43.17	128.70	51.74	171.60	68.98	214.50	86.23	257.40	103.47
30 years	108.68	43.69	130.52	52.47	173.94	69.92	217.36	87.38	261.04	104.94
31 years	110.24	44.32	132.34	53.20	176.28	70.86	220.48	88.63	264.42	106.30
32 years	111.80	44.94	134.16	53.93	178.62	71.81	223.34	89.78	268.06	107.76
33 years	113.10	45.47	135.72	54.56	180.96	72.75	226.20	90.93	271.44	109.12
34 years	114.66	46.09	137.54	55.29	183.30	73.69	229.06	92.08	274.82	110.48
35 years	115.96	46.62	139.36	56.02	185.64	74.63	231.92	93.23	278.46	111.94
36 years	117.52	47.24	140.92	56.65	187.98	75.57	235.04	94.49	281.84	113.30
37 years	119.08	47.87	142.74	57.38	190.32	76.51	237.90	95.64	285.48	114.76
38 years	120.38	48.39	144.56	58.11	192.66	77.45	240.76	96.79	288.86	116.12
39 years	121.94	49.02	146.38	58.84	195.00	78.39	243.62	97.94	292.50	117.59
40 years	123.24	49.54	147.94	59.47	197.34	79.33	246.48	99.08	295.88	118.94
41 years	124.80	50.17	149.76	60.20	199.68	80.27	249.60	100.34	299.52	120.41
42 years	126.36	50.80	151.58	60.94	202.02	81.21	252.46	101.49	302.90	121.77
43 years	127.66	51.32	153.14	61.56	204.36	82.15	255.32	102.64	306.28	123.12
44 years	129.22	51.95	154.96	62.29	206.70	83.09	258.18	103.79	309.92	124.59
45 years	130.52	52.47	156.78	63.03	209.04	84.03	261.04	104.94	313.13	125.88
46 years	132.08	53.10	158.60	63.76	211.38	84.97	264.16	106.19	316.94	127.41
47 years	133.64	53.72	160.16	64.38	213.72	85.92	267.02	107.34	320.32	128.77
48 years	134.94	54.25	161.98	65.12	216.06	86.86	269.88	108.49	323.96	130.23
49 years	136.50	54.87	163.80	65.85	218.40	87.80	272.74	109.64	327.34	131.59
50 years	137.80	55.40	165.36	66.47	220.48	88.63	275.60	110.79	330.72	132.95
51 years	139.36	56.02	167.18	67.21	222.82	89.57	278.72	112.05	334.36	134.41

The amount of the annuity is calculated upon a basic rate with certain increases which are described below. The basic rate is found by multiplying the total contributions paid by 260 and dividing the product by the number of weeks the insurance has run; the number of weeks during which the worker has received allowances for temporary invalidity and the premiums paid during these weeks are not considered. For the invalidity annuity, fractions of weeks are counted as whole weeks. The increase amounts to 11.2 per cent of the total amount of contributions paid, but this increase shall not amount to less than one-fifth of the basic amount. For example, the formula for calculating the basic amount for an insured worker who has paid an average of 50 contributions of 0.50 florin (20 cents) per week for 20 years would be as follows: 260×20×50×0.50 divided by 20×52, or 125 florins ($50.25). The total contributions paid having been 500 florins ($201), the increase, amounting to 11.2 per cent of this total, would be 56 florins ($22.51), so that the entire annuity would be 181 florins ($72.76), which, in accordance with the practice of fixing the annuities in figures which are multiples of 26, would be raised to 181.22 florins. An annuity may not be increased.

The amount of the annuity therefore depends upon the number of years during which stamps have been affixed and the value, according to the worker's classification, of the stamps themselves. As has already been stated, a minimum of 150 weekly premium payments is required before the insured is entitled to an annuity for permanent or temporary invalidity.

Invalidity annuity.—Invalidity annuity is granted (1) to an injured or incapacitated worker when classified as a permanent invalid (i. e., when he is unable to perform one-third of the amount of work which a normal worker of the same class can perform), and (2) to an injured or incapacitated worker when classified as a temporary invalid, provided the incapacity for work has continued for six months uninterruptedly.

The amount of the annuity for permanent invalidity and of the allowance for temporary invalidity is based on the amount of the contributions which have been paid in the form of stamps, in accordance with the table of benefits. (See p. 289.)

Old-age benefits.—Contributions for old-age benefits are supposed to be paid from the time the individual begins work until he reaches his sixty-fifth year, provided he is eligible for insurance before he reaches his thirty-fifth year. The amount of the benefits is based on the number of contributions paid, and thus the benefits due must be calculated in each case, both the invalidity and old-age benefits being fixed in accordance with the table on page 289.

As has been mentioned, all workers, including those of 35 years and older, were covered by the law of 1919. Those whose age was 35 years or more at the time of insurance must fulfill a qualifying period in order to be entitled to ordinary old-age benefits, this qualifying period amounting to 1,248 contribution weeks. As this would have prevented anyone from obtaining benefits before the lapse of 24 years from the date on which the law went into effect, it was provided that those who were beyond 35 years of age at the time they came under insurance—that is, when the law went into effect—may receive benefits of 3 florins ($1.21) per week, provided stamps have been affixed to their cards during forty-seven fifty-seconds of the number of weeks that have elapsed up to their sixtieth year, and during thirty-nine fifty-seconds of the number of weeks which have elapsed between their sixtieth and their sixty-fifth year.

In case the required number of qualifying weeks has not been reached by the sixty-fifth year, the affixing of stamps may be continued weekly until this number—1,248—has been reached. In such cases the old-age benefits do not begin with the sixty-fifth year, but on the date on which the requirement regarding the number of weeks for the payment of contributions has been met. This benefit may be granted even if the number of contributions paid does not reach the required minimum of 1,248, if the failure to affix stamps has been due to unemployment or to illness which prevented the performance of work; but in such cases the number of such weeks of enforced idleness, together with the number of weeks in which contributions have actually been paid must be equal to the required number—1,248. Furthermore, the amount of the contributions paid must be at least equal to as many times 0.25 florin (10 cents) as there are weeks in the qualifying period—that is, 1,248—or a total of 312 florins ($124.80).

This benefit is not paid in case the insured worker or his wife possess sufficient property to subject them to the property tax. If the worker and his wife are both entitled to benefits under this provision, the man receives 3 florins ($1.21) per week while his wife receives only 2 florins (80 cents). The annuities prescribed in the law for the transition period (between the date on which the law went into effect and the date upon which the normal annuities established become effective) amount to 130 florins ($52.26) per year for each married person in case the husband or wife is also receiving an annuity. In case one of such a married couple dies, the annuity of the survivor is increased to 150 florins ($60.30) per year.

When the law went into effect there were naturally a large number of persons who were beyond the maximum age established for eligibility for benefits, and for these the following provisions were made: Under article 369 of the law, persons who had reached or passed their seventieth year at the time the law went into effect are entitled to benefit, provided they can show that they would have come within the classification of compulsorily insured workers during 156 weeks of the 10 years immediately preceding their seventieth birthday.

Article 370 makes provision for free insurance of another class of old persons: There were a considerable number of people whose financial circumstances and social standing, in a strict sense, placed them in the category of workers, and the act of 1919 extends to people of this class the same privilege as was accorded to those above 70 years of age by the act of 1913.

Medical treatment.—In case an insured worker is threatened with permanent invalidity which may be prevented by appropriate treatment, he may be given stipulated treatment or care at the expense of the insurance fund. However, no treatment is given if the contributions have not been paid with suitable regularity. The application for medical treatment must be made to the labor board, and must be accompanied by the current premium card, as well as by a medical certificate, if possible.

While the requirement of the law as to temporary invalidity is that the insured be incapacitated from performing work for a period of six months, it is held that an application for payments under this provision is not necessarily to be rejected even if the insured has repeatedly or even regularly reported for work, or by extraordinary tax upon his strength may have earned his regular wages, but as a rule this principle applies only to workers to whom an invalidity annuity has already been granted. In practice the law is interpreted in such a way as to prevent the discouragement of the workers who try to overcome their ailments and to continue to support themselves. It is held also that the annuity fund would be prejudiced if workers found it to their disadvantage to try to resume work before they were certain that they would be able to continue. However, workers who are able to perform labor intermittently may not receive payments from the annuity fund.

Widows' benefits.—The widow of an insured worker is entitled to benefit provided her husband was receiving invalidity or old-age benefits, or at the time of his death 40 contributions had been paid on his account, but no benefit is paid to a widow when she married the insured worker after he had entered his sixtieth year or after he had been definitely or provisionally granted an annuity on account of incapacity to perform labor. Furthermore, benefits granted to a widow do not cease upon her remarriage.

A widow is eligible for benefit in case she becomes an invalid or when she reaches the age of 60 years.

The amount of the annuity granted to a widow is equivalent to one-fifth more than the basic annuity to which her husband would have been entitled on the date of his death. In case the annuity payable to a widow is less than 26 florins ($10.45) per year, it may be commuted to a cash payment equal to its present worth.

Orphans' benefits.—Upon the death of an insured father, his legitimate or his lawfully recognized illegitimate children under 14 years of age are entitled to an orphans' annuity, provided the father was receiving an invalidity annuity at the time of his death, or if contributions had been paid on his account over a minimum of 40 weeks. Children under 14 years of age of an insured mother have the right to orphans' annuity also, provided they are fatherless and the mother was the bread-winner of the family. Furthermore, children under 14 years of age have the right to an orphans' annuity after the death of their father, regardless of whether he is insured or not, provided the mother is insured and a minimum of 40 premiums has been paid on her account.

The orphans' annuity is calculated for all the children of the family together and is paid in a lump sum until all the children have reached the age of 14 years. Each child has the right to an equal share of the annuity, the share of each child who reaches the age of 14 years being divided among the others who may still be under that age. The amount of the orphans' annuity is calculated in the same way as the widow's annuity; that is, six-fifths of the basic annuity which the parent was receiving at the time of his or her death, or would have received if the annuity had been granted as of the day of his or her death. The orphans' annuity is also commuted at its present value if it is less than 26 florins ($10.45) per year.

Administration

Under the law of 1913 the National Insurance Bank, the Insurance Board, and the labor boards are charged with the carrying out of the law.

Labor boards.—Actual contact with the workers is maintained by the various labor boards, each of which is charged with the supervision of the contribution cards of the workers, and with the enforcement of the provisions as to the obligations of the employers. The duties of the labor boards are multitudinous, covering not only the enforcement of the law, the collection of contributions, and the supervision of the contribution cards with a view to avoiding loss to the worker, but also having the moral obligation to promote the successful operation of the law through timely advice to the workers, with the purpose of educating them to an appreciation of the benefits which accrue to them through a careful observance of the necessary formalities.

The duties and powers of the labor boards mentioned in the law itself, and which are to be specified and amplified by royal decree, are as follows: The summoning and hearing of witnesses and experts; the keeping of registers of persons subject to compulsory insurance; the handling of insurance cards and insurance books; the preparation of applications, declarations, requests, and reports to the bank and to the Superior Labor Board; the giving of information and the taking of whatever action is necessary in connection with the enforcement of the law; and the exchange of reports with the National Insurance Bank and the Insurance Board.

Each labor board, of which there are 32 in the Kingdom, consists of a chairman, who is appointed by the Crown, and at least eight employer members, with an equal number of substitute employer members, and a like number of worker members with substitutes, all holding office for six years.

National Insurance Bank.—The National Insurance Bank is not only charged with the custody of the insurance funds and their proper investment but also exercises certain judicial functions in connection with cases arising under the law, especially with respect to determining the amount of the annuities and the validity of claims, upon which the labor board must be heard.

Insurance Board.—Little is said of the Insurance Board in the law itself, but it functions as a board of advice and appeal for the labor boards. It is located at The Hague, and consists of six salaried members, appointed by the Crown for terms of six years, and eight unsalaried members, half of whom are elected by the employer members of the local labor boards, while the other half are elected by the worker members of the labor boards. One of the salaried members of the Insurance Board acts as chairman, and there is also a secretary who is appointed by the Crown.

Boards of appeal.—Regional boards of appeal for the handling of appeals from the decisions of the National Insurance Bank under the law of 1913, have been established at seven central points in the Kingdom, while the Central Board of Appeals (*Centrale Raad van*

Beroep), the court of last resort, is located in Utrecht, which is more centrally located than The Hague and, therefore, more convenient for persons who must appear from all parts of the country.

The regional boards of appeal are composed of a presiding judge, who is appointed for life by the Crown, a clerk of the court, and normally 14 employer members and 14 worker members, although this number may be changed for each board of appeal by the Minister of Justice. The number in each place was fixed by the royal decree of June 11, 1917, as amended by the decrees of February 19, 1923, and July 10, 1925. However, these boards hear cases and hand down decisions with only three members of the court sitting; that is, the presiding judge, one employer member, and one worker member, the members to serve being designated by the Minister of Justice in a calendar prepared by him.

The Central Board of Appeals at Utrecht is composed of a presiding judge, one deputy judge or more if required, and at most eight associate judges, all of whom are appointed for life by the Crown. At the present time there are 1 presiding judge, 2 deputy judges, and 6 associate judges.

Statistics of Operation

Number of persons covered.—According to figures furnished by the National Insurance Bank, the number of persons insured against incapacity to work and old age was 2,547,099 on January 1, 1930. The bank reports that it is impossible to state exactly the number of each sex included in this number, but applying the ratio between the numbers of each sex insured as shown by previous tables it may be assumed that the number of male workers was 1,575,000, while the number of females was about 973,000.

Number of beneficiaries and amount of benefits.—Data as to the number of beneficiaries and the total amount of the benefits, January 1, 1930, furnished by the National Insurance Bank, are as follows:

TABLE 70.—*Number of beneficiaries and total amount of benefits under compulsory insurance in the Netherlands, January 1, 1930, by class of benefits*

[Conversions into United States currency on basis of florin=40.2 cents]

Class of benefits	Number of beneficiaries	Total amount of benefits	
		Netherland currency	United States currency
		Florins	
Invalidity	25,569	3,941,054.16	$1,584,304
Widows	14,153	2,441,070.63	981,310
Orphans	11,616	2,029,868.36	816,007
Old-age (compulsory insurance)	79,293	11,886,317.01	4,778,299
Free old-age annuities	28,395	4,316,381.78	1,735,185
Total	159,026	24,614,691.94	9,895,106

The Netherlands Bureau of Statistics, in the Maandschrift for January, 1931 (p. 44), shows the number of persons receiving invalidity insurance and the various types of old-age insurance on January 1, 1931, and also the figures for 1921 (the first published), 1925, and 1928 as of January 1, giving an idea of the movement in the various classes:

TABLE 71.—*Number of beneficiaries under compulsory invalidity and old-age insurance in the Netherlands, January 1, 1921, 1925, 1928, and 1931*

Class of beneficiaries	1921	1925	1928	1931
Beneficiaries under art. 369	46, 800	23, 800	12, 400	5, 604
Beneficiaries under art. 370	58, 900	39, 800	28, 700	18, 492
Beneficiaries under art. 373	7, 200	40, 600	63, 100	87, 009
Widows	200	4, 100	9, 400	16, 762
Orphans	800	6, 200	9, 700	12, 225
Invalids	----------	7, 700	19, 500	29, 326

It will be noted that no normal old-age pensions have been paid as yet, and apparently none will be paid until about 18 years have elapsed, as the normal insurance covers only those who were under 35 years of age when the law went into effect and none of the persons under that age have yet reached the maximum. Thus, the old-age pensions now being paid are classed as belonging to the transition period between the date on which the law went into effect and the date upon which the normal annuities established become effective.

The number of beneficiaries under the first two classes shown [48] is naturally growing smaller, while the number under the third class [49] is growing larger and will continue to do so for some years, but these three classes will eventually all be eliminated through the death of the annuitants. It is probable that the maximum accretion in the third class was reached in 1929, and while the total number will probably continue to grow for some time, the peak should be reached in a few years at most.

On April 1, 1930, 26,354 insured workers were receiving invalidity annuities, the total amount of which was 4,017,733 florins ($1,615,-129).

The number of persons receiving old-age benefits on April 1, 1930, was 81,355, and the total amount of these benefits, on a yearly basis, was 12,157,805 florins ($4,887,438).

Receipts and expenditures.—The principal sources of income of the insurance fund are, for the present, the Government contribution as specified in the law, the contributions paid on account of the workers, and the growing income from invested funds. The

[48] For description of these classes, see p. 291.
[49] Those above 35 but under 65 when the law went into effect.

receipts from the Government subsidy and the sale of contribution stamps over a period of 10 years were as follows:

TABLE 72.—*Receipts from Government subsidy and sale of contribution stamps under Netherlands compulsory old-age insurance system, 1921 to 1930*

[Conversions into United States currency on basis of florin=40.2 cents]

Year	Government subsidy		Contributions		Total	
	Netherland currency	United States currency	Netherland currency	United States currency	Netherland currency	United States currency
	Florins		*Florins*		*Florins*	
1921	20, 500, 000	$8, 241, 000	32, 399, 000	$13, 024, 398	52, 899, 000	$21, 265, 398
1922	20, 500, 000	8, 241, 000	31, 922, 200	12, 832, 724	52, 422, 200	21, 073, 724
1923	20, 500, 000	8, 241, 000	30, 482, 300	12, 253, 885	50, 982, 300	20, 494, 885
1924	1, 800, 000	723, 600	31, 565, 400	12, 689, 291	33, 365, 400	13, 412, 891
1925	1, 800, 000	723, 600	32, 869, 400	13, 213, 499	34, 669, 400	13, 937, 099
1926	9, 423, 000	3, 788, 046	34, 484, 100	13, 862, 608	43, 907, 100	17, 650, 654
1927	11, 423, 000	4, 592, 046	35, 348, 300	14, 210, 017	46, 771, 300	18, 802, 063
1928	13, 423, 000	5, 396, 046	37, 352, 700	15, 015, 785	50, 775, 700	20, 411, 831
1929	17, 623, 000	7, 084, 446	39, 249, 900	15, 778, 460	56, 872, 900	22, 862, 906
1930	17, 623, 000	7, 084, 446	[1] 39, 799, 700	[1] 15, 999, 479	57, 422, 700	23, 083, 925
Total	134, 615, 000	54, 115, 230	345, 473, 000	138, 880, 146	480, 088, 000	192, 995, 376

[1] Provisional.

Another source of income, comparatively small, is the so-called mathematical reserve, which the Government pays into the National Insurance Bank on account of persons who leave its military or other service without having acquired the right to a fixed pension.

The National Insurance Bank states that the latest complete figures of receipts and expenditures of funds provided for in the law of 1913 are for the year 1928, which were as follows:

TABLE 73.—*Statement of Netherlands National Insurance Bank on income and expenditures of funds, 1928*

[Conversions into United States currency on basis of florin=40.2 cents.]

Item	Amount	
	Netherland currency	United States currency
Income	*Florins*	
Interest on invested funds	18, 306, 049. 465	$7, 359, 032
Contribution receipts	37, 502, 247. 210	15, 075, 903
Government subsidy	13, 423, 000. 000	5, 396, 046
Mathematical reserves	437, 135. 470	175, 728
Total	69, 668, 432. 145	28, 006, 710
Expenditures		
Administration costs	3, 884, 336. 825	1, 561, 503
Cost of medical treatment	2, 141, 620. 030	860, 931
Old-age and invalidity annuity payments	17, 301, 517. 350	6, 955, 210
Total	23, 327, 474. 205	9, 377, 645

Per capita cost of administration.—The National Insurance Bank reports that the cost of administration—3,884,336 florins ($1,561,-

503)—is not separated to show the proportion which should be charged to administration on account of those now drawing annuities. However, the cost of administration on a per capita basis for 1928, when the population was 7,703,577, which is stated to be fairly typical of all years, was 0.5026 florin (20.2 cents). The cost of administration chargeable to the annuitants was stated by the bank to have been approximately 200,000 florins ($80,400), so that the general cost of enforcing and administering the law was around 3,684,000 florins ($1,480,968). According to the 1929 figures, which have just been supplied by the National Insurance Bank, the administration costs in 1929 were as follows:

TABLE 74.—*Administration costs of old-age insurance funds in the Netherlands in 1929*

[Conversions into United States currency on basis of florin=40.2 cents]

Item	Amount	
	Netherland currency	United States currency
	Florins	
Operation of the bank	1,051,774.69	$422,813
Labor boards:		
Paid by the National Insurance Bank	109,167.14	43,885
Paid direct by the boards	3,516,298.19	1,413,552
Other expenses deducted from contribution payments	410,410.96	164,985
Insurance board:		
Traveling expenses	3,625.94	1,458
Payment of employees detached from bank	18,565.94	7,464
Total	5,109,842.86	2,054,157

The per capita cost for that year, when the population of the Netherlands was 7,832,911, was 0.6523 florin (26.2 cents). The cost of administration per person insured in 1928 was approximately 1.56 florins (7 cents).

Voluntary Insurance

Voluntary old-age insurance in the Netherlands was established by the law of November 4, 1919, which provides that every inhabitant of the Kingdom and every Netherlander outside the Kingdom may obtain an annuity upon reaching the age of 65 years, or at such younger age as the Government may fix.

Coverage of System

Anyone living in the Netherlands, or any Netherlander living anywhere, may purchase an old-age annuity, this being done by means of the payment of weekly premiums. It is also provided that a married woman may acquire Government old-age insurance without the consent of her husband, and any married person may acquire insurance providing for the payment upon his or her death of an annuity to the survivor.

Contributions

The amount of the premium depends upon the age of the person when the insurance is taken out, and is determined in accordance with a table which forms part of the royal decree of December 28,

1926. The table, showing the various ages at which the annuity may become payable, the age at which the insurance is taken out, and the weekly premium payable for each florin of the weekly annuity, is as follows, the premiums for annuities beginning with the fifty-sixth and fifty-seventh year being omitted for lack of space:

TABLE 75.—*Premium payable per florin of annuity purchased under voluntary old-age insurance in the Netherlands*

[Conversions into United States currency on basis of florin cent at par=0.402 cent]

Age when insured	Age at which annuity is payable								
	55 years	58 years	59 years	60 years	61 years	62 years	63 years	64 years	65 years
	Netherland currency								
	Florin cents	*Florin cents*	*Florin cents*	*Florin cents*	*Florin cents*	*Florin cents*	*Florin cents*	*Florin cents*	*Florin cents*
0 year	0.084	0.067	0.062	0.057	0.052	0.048	0.044	0.041	0.037
1 year	.087	.069	.064	.059	.055	.050	.046	.042	.039
2 years	.091	.072	.067	.062	.057	.052	.048	.044	.040
3 years	.095	.075	.070	.064	.059	.054	.050	.046	.042
4 years	.099	.079	.073	.067	.062	.056	.052	.047	.043
5 years	.104	.082	.076	.070	.064	.059	.054	.049	.045
6 years	.108	.086	.079	.073	.067	.061	.056	.051	.047
7 years	.113	.090	.082	.076	.070	.064	.058	.053	.049
8 years	.118	.094	.086	.079	.073	.067	.061	.056	.051
9 years	.123	.098	.090	.083	.076	.069	.063	.058	.053
10 years	.129	.102	.094	.086	.079	.072	.066	.060	.055
11 years	.135	.107	.098	.090	.083	.076	.069	.063	.057
12 years	.141	.111	.103	.094	.086	.079	.072	.066	.060
13 years	.148	.116	.107	.099	.090	.083	.075	.068	.062
14 years	.155	.122	.112	.103	.095	.086	.079	.071	.065
15 years	.162	.127	.117	.108	.099	.090	.082	.075	.068
16 years	.170	.133	.123	.113	.103	.094	.086	.078	.071
17 years	.179	.140	.128	.118	.108	.099	.090	.082	.074
18 years	.188	.146	.134	.123	.113	.103	.094	.085	.077
19 years	.197	.154	.141	.129	.118	.108	.099	.089	.081
20 years	.207	.161	.148	.135	.124	.113	.103	.094	.085
21 years	.218	.169	.155	.142	.130	.119	.108	.098	.089
22 years	.230	.178	.163	.149	.136	.124	.113	.103	.093
23 years	.243	.187	.171	.156	.143	.130	.118	.108	.097
24 years	.256	.197	.180	.164	.150	.137	.124	.113	.102
25 years	.271	.208	.190	.173	.158	.143	.130	.118	.107
26 years	.287	.219	.200	.182	.166	.151	.137	.124	.112
27 years	.304	.231	.211	.192	.175	.158	.144	.130	.118
28 years	.322	.244	.223	.202	.184	.167	.151	.137	.123
29 years	.342	.259	.235	.214	.194	.176	.159	.144	.130
30 years	.364	.274	.249	.228	.205	.185	.168	.151	.136
31 years	.388	.291	.264	.239	.216	.196	.177	.159	.143
32 years	.414	.309	.280	.253	.229	.207	.187	.168	.151
33 years	.443	.329	.297	.269	.243	.219	.197	.177	.159
34 years	.475	.350	.316	.285	.257	.232	.209	.188	.168
35 years	.510	.374	.337	.304	.273	.246	.221	.198	.178
36 years	.549	.400	.360	.324	.291	.261	.235	.210	.188
37 years	.592	.428	.385	.345	.310	.278	.249	.223	.199
38 years	.641	.460	.412	.370	.331	.297	.265	.237	.212
39 years	.697	.495	.443	.396	.354	.317	.283	.252	.225
40 years	.760	.535	.477	.426	.380	.339	.302	.269	.239
41 years	.833	.580	.515	.459	.408	.363	.323	.288	.255
42 years	.918	.630	.559	.496	.440	.391	.347	.308	.273
43 years	1.017	.688	.607	.537	.475	.421	.373	.330	.292
44 years	1.135	.745	.663	.584	.515	.455	.402	.355	.314
45 years	1.277	.832	.727	.638	.561	.494	.435	.383	.337
46 years	1.452	.922	.802	.700	.613	.537	.472	.414	.364
47 years	1.671	1.030	.869	.772	.672	.587	.513	.449	.394
48 years	1.954	1.160	.994	.857	.742	.645	.561	.489	.427
49 years	2.332	1.320	1.120	.958	.823	.711	.616	.535	.466
50 years	2.865	1.521	1.275	1.079	.921	.790	.681	.588	.509
51 years		1.780	1.469	1.229	1.038	.884	.756	.650	.560
52 years		2.127	1.721	1.417	1.183	.997	.846	.722	.619
53 years		2.616	2.058	1.660	1.365	1.136	.955	.809	.689
54 years			2.531	1.987	1.600	1.312	1.089	.914	.771
55 years				2.445	1.915	1.539	1.258	1.043	.872
56 years					2.359	1.843	1.477	1.205	.994
57 years						2.271	1.770	1.415	1.151
58 years							2.183	1.697	1.353
59 years								2.094	1.624
60 years									2.006

TABLE 75.—*Premium payable per florin of annuity purchased under voluntary old-age insurance in the Netherlands*—Continued

Age when insured	Age at which annuity is payable								
	55 years	58 years	59 years	60 years	61 years	62 years	63 years	64 years	65 years
	United States currency								
	Cents	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
0 year	0.034	0.027	0.025	0.023	0.021	0.019	0.018	0.016	0.015
1 year	.035	.028	.026	.024	.022	.020	.018	.017	.016
2 years	.037	.029	.027	.025	.023	.021	.019	.018	.016
3 years	.038	.030	.028	.026	.024	.022	.020	.018	.017
4 years	.040	.032	.029	.027	.025	.023	.021	.019	.017
5 years	.042	.033	.031	.028	.026	.024	.022	.020	.018
6 years	.043	.035	.032	.029	.027	.025	.023	.020	.019
7 years	.045	.036	.033	.031	.028	.026	.023	.021	.020
8 years	.047	.038	.035	.032	.029	.027	.025	.023	.020
9 years	.049	.039	.036	.033	.031	.028	.025	.023	.021
10 years	.052	.041	.038	.035	.032	.029	.027	.024	.022
11 years	.054	.043	.039	.036	.033	.031	.028	.025	.023
12 years	.057	.045	.041	.038	.035	.032	.029	.027	.024
13 years	.059	.047	.043	.040	.036	.033	.030	.027	.025
14 years	.062	.049	.045	.041	.038	.035	.032	.029	.026
15 years	.065	.051	.047	.043	.040	.036	.033	.030	.027
16 years	.068	.053	.049	.045	.041	.038	.035	.031	.029
17 years	.072	.056	.051	.047	.043	.040	.036	.033	.030
18 years	.076	.059	.054	.049	.045	.041	.038	.034	.031
19 years	.079	.062	.057	.052	.047	.043	.040	.036	.033
20 years	.083	.065	.059	.054	.050	.045	.041	.038	.034
21 years	.088	.068	.062	.057	.052	.048	.043	.039	.036
22 years	.092	.072	.066	.060	.055	.050	.045	.041	.037
23 years	.098	.075	.069	.063	.057	.052	.047	.043	.039
24 years	.103	.079	.072	.066	.060	.055	.050	.045	.041
25 years	.109	.084	.076	.070	.064	.057	.052	.047	.043
26 years	.115	.088	.080	.073	.067	.061	.055	.050	.045
27 years	.122	.093	.085	.077	.070	.064	.058	.052	.047
28 years	.129	.098	.090	.081	.074	.067	.061	.055	.049
29 years	.137	.104	.094	.086	.078	.071	.064	.058	.052
30 years	.146	.110	.100	.091	.082	.074	.068	.061	.055
31 years	.156	.117	.106	.096	.087	.079	.071	.064	.057
32 years	.166	.124	.113	.102	.092	.083	.075	.068	.061
33 years	.178	.132	.119	.108	.098	.088	.079	.071	.064
34 years	.191	.141	.127	.115	.103	.093	.084	.076	.068
35 years	.205	.150	.135	.122	.110	.099	.089	.080	.072
36 years	.221	.161	.145	.130	.117	.105	.094	.084	.076
37 years	.238	.172	.155	.139	.125	.112	.100	.090	.080
38 years	.258	.185	.166	.149	.133	.119	.107	.095	.085
39 years	.280	.199	.178	.159	.142	.127	.114	.101	.090
40 years	.306	.215	.192	.171	.153	.136	.121	.108	.096
41 years	.335	.233	.207	.185	.164	.146	.130	.116	.103
42 years	.369	.253	.225	.199	.177	.157	.139	.124	.110
43 years	.409	.277	.244	.216	.191	.169	.150	.133	.117
44 years	.456	.299	.267	.235	.207	.183	.162	.143	.126
45 years	.513	.334	.292	.256	.226	.199	.175	.154	.135
46 years	.584	.371	.322	.281	.246	.216	.190	.166	.146
47 years	.672	.414	.325	.310	.270	.236	.206	.180	.158
48 years	.786	.466	.400	.345	.298	.259	.226	.197	.172
49 years	.937	.531	.450	.385	.331	.286	.248	.215	.187
50 years	1.152	.611	.513	.434	.370	.318	.274	.236	.205
51 years	------	.716	.591	.494	.417	.355	.304	.261	.225
52 years	------	.855	.692	.570	.476	.401	.340	.290	.249
53 years	------	1.052	.827	.667	.549	.457	.384	.325	.277
54 years	------	------	1.017	.799	.643	.527	.438	.367	.310
55 years	------	------	------	.983	.770	.619	.506	.419	.351
56 years	------	------	------	------	.948	.741	.594	.484	.400
57 years	------	------	------	------	------	.913	.712	.569	.463
58 years	------	------	------	------	------	------	.878	.682	.544
59 years	------	------	------	------	------	------	------	.842	.653
60 years	------	------	------	------	------	------	------	------	.806

These rates are for males, those for females being slightly different. However, the law provides for several classes of premiums to meet special conditions, which are as follows:

(*a*) The so-called "net premium" class. The law of 1919 provided for the voluntary insurance of inhabitants of the Kingdom who had not reached the age of 35 years and whose income was below 2,000 florins ($804) per year. Such persons insured themselves, according to their own choice, for annuities of 3, 4, 5, or 6 florins ($1.21, $1.61, $2.01, or $2.41) per week. The cost of the insurance was borne by the insured persons but with the understanding that the cost of administration would be borne by the Government. As a transition-period measure, however, those above the age of 35 who did not come under the law of 1913 (compulsory insurance for workers) could insure themselves during the first four years after the law went into effect by paying the premium which was fixed for those whose age was 34 years.

(*b*) The "gross premium" class. The limitations established in the original law with respect to the amount of the annuity gave rise to considerable dissatisfaction, which led to its amendment May 19, 1922, providing for the increase of the limit to 20 florins ($8.04) per week, but with the provision that the cost of administration was to be charged to the insured, thus creating the "gross premium" class of self-supporting insurance.

(*c*) The "subsidized insurance" class. The law states that "during the first four years following December 3, 1919, every resident of the Kingdom who is above 35 years of age but less than 65 is authorized to insure himself for an annuity of 3 florins per week after reaching the age of 65 years, the premium therefor to be 0.39 florins [15.7 cents] per week, provided his income or that of his wife is below 2,000 florins [$804] per year," and also that this authorization does not apply to those who are in the enjoyment of an annuity under the law of 1913. The amount of the premiums not being sufficient to provide the annuity established by this section, the deficit is covered by appropriations from the general funds of the Government, and the insurance is thus considered to be subsidized.

(*d*) The "free insurance" class. Article 28 of the voluntary old-age insurance law states that "every resident of the Kingdom who had reached or passed the age of 65 years at the time this law came into force, and who is not in the enjoyment of an annuity under the provisions of [the law of 1913] or of any other annuity from the Government, has, excepting in the cases mentioned in article 30 of this law, the right to an annuity of 3 florins [$1.21] per week." This section provides for no premium and the insurance is therefore free. The exception provided in article 30 applies to persons whose income is 1,200 florins ($50.40) per year, and to those who, although able to support themselves by work, have neglected to do so.

Benefits

The amount of the annuity depends upon the age at which the insurance is taken out and the age at which the payments are to begin, as well as upon the amount for which the insured person subscribes, but the maximum annuity obtainable under the Government voluntary old-age insurance system is 20 florins ($8.04) per week.

Administration

The administration of the voluntary old-age annuity system is placed under the National Insurance Bank, but the routine of the collection of the premiums is in the hands of the labor boards. The function of these two bodies, and of the Insurance Board are practically the same as those exercised in the enforcement of the compulsory insurance law.

Statistics of Operation

Number of persons receiving benefits.—The following table shows the number of persons in each insurance class receiving benefits at the end of 1929 and the amount paid to each class in that year:

TABLE 76.—*Number of persons receiving benefits under voluntary old-age insurance in the Netherlands at end of 1929, and amount of yearly benefits*

[Conversions into United States currency on basis of florin =40.2 cents]

Class	Men: Number	Men: Total yearly annuities: Netherland currency	Men: Total yearly annuities: United States currency	Women: Number	Women: Total yearly annuities: Netherland currency	Women: Total yearly annuities: United States currency
		Florins			*Florins*	
Net premium	38	5,725	$2,301	146	24,213	$9,734
Gross premium	327	111,639	44,879	976	297,532	119,608
Subsidized insurance:						
Unmarried	26,772	4,190,889	1,684,737	54,606	8,548,023	3,436,305
Married	13,873	1,809,733	727,513	32,750	4,272,238	1,717,440
In default in premium payments	308	11,301	4,543	693	24,055	9,670
Free insurance:						
Unmarried	27,413	4,291	1,725	40,391	6,322,807	2,541,768
Married	14,550	1,898,048	763,015	10,237	1,335,417	536,838
Total	83,281	[1]12,318,565	[1]4,952,063	139,799	20,824,285	8,371,363

[1] Not the sum of the items, but as given in report.

The total number of annuitants, men and women, was 223,080, and the total amount of annuities, 33,142,849.71 florins ($13,323,426).

The law provides for an annuity of 156 florins ($62.71) for unmarried persons, and of 130 florins ($52.26) for married persons. The small number given under the group "In default of premium payments" are those who, for any reason, allowed their insurance to lapse, but who, having paid a certain number of premiums, were entitled to annuities based on the amount of premiums they had paid.

Number of persons covered.—According to the latest figures available, October, 1930, the total number of persons insured under the voluntary old-age annuity system—that is, those now paying the normal premiums—was 106,611, while those paying the premiums under the provision for those who were above 35 years of age when the law went into effect, was 72,653, the total insured and paying premiums thus being 179,264.

Receipts and expenditures.—According to a statement of the National Insurance Bank, the latest available figures of receipts and expenditures of the voluntary old-age annuity system are those for the year 1927, as follows:

TABLE 77.—*Income and expenditures of voluntary old-age annuity system in the Netherlands, 1927*

[Conversions into United States currency on basis of florin=40.2 cents]

Item	Amount	
	Netherland currency	United States currency
Receipts	*Florins*	
Government subsidy	31,600,000	$12,703,200
Premiums	5,931,500	2,384,463
Interest	19,963	8,025
Administration costs payable by the Government	790,283	317,694
Total	38,341,746	15,413,382
Expenditures		
Annuities paid	42,101,385	16,924,757
Interest	8,034,064	3,229,694
Administration costs	1,106,932	444,987
Total	51,242,381	20,599,437

Income of insurance fund.—The foregoing table shows that the income from all sources is far from sufficient to cover the annuities payable under the law. The original provision in the law for the annual contribution by the Government was found to be inadequate, and by the law of June 26, 1926, the Government contribution was increased to 31,600,000 florins ($12,703,200) per year. The yearly deficit is covered by advances from the general funds of the Government and by borrowings from other Government trust funds. The amount of the advances up to date can not be ascertained, but as the rate of interest on loans from the Postal Savings Bank, the Workers' Insurance Fund, and the Accident Insurance Fund, from all of which borrowings have been made, is 4 per cent, the capital of such borrowings amounted to 200,851,600 florins ($80,742,343) in 1927, when the interest charges amounted to 8,034,064 florins ($3,229,694).

Cost of administration.—The National Insurance Bank reports that the share of the cost of administration which is assignable to the annuitants can only be estimated. It states that the amount of this charge may be set at approximately 300,000 florins ($120,600) while the charges which fall upon the premium payers are estimated at 800,000 florins ($321,600). The average number of premium payers in 1927 was 284,348, and the per capita cost of administration to the insured may thus be calculated to have been around 2.81 florins ($1.13).

The bank remarks further that the difference between the administration costs of compulsory insurance and voluntary insurance is due partially to the charges connected with the acquiring of insurance which is paid by the latter class, while no charges of this character are made in connection with the compulsory insurance.

SOURCES FOR THE NETHERLANDS: Law of June 3, 1913, as amended Mar. 21, 1919, Nov. 1, 1919, Dec. 4, 1920, Dec. 24, 1921, Apr. 21, 1922, Aug. 30, 1923, June 23, 1925, and July 30, 1926, and decrees and orders relating thereto; Centraal Bureau voor de Statistiek, Jaarcijfers, 1929; Bureau voor de Statistiek, Maandschrift, January and February, 1931; Keulemans, P., Onze Sociale Verzekeringswetten; Rijksverzekeringsbank, reports.

Newfoundland

By George C. Cobb, *American Vice Consul, St. John's*

General Pension System

Coverage of System

An old-age pension law was adopted in Newfoundland in 1911. Every person of the age of 75 years who has resided in the colony for at least 20 years has a right to a pension if his or her means of support are such as to render a pension necessary.

Contributions

The Government has voted $160,000 for this purpose, which is divided per capita for each district.

Benefits

The individual pensions amount to $50 per year and are paid in quarterly installments of $12.50. They are straight pensions. In case the pensioner dies leaving a widow, the pension continues to be paid to her, provided she is of the prescribed age, until death or remarriage.

Administration

The administration of the old-age pensions comes under the Finance Department. No part of the amount appropriated is used for defraying the cost of administration. It is stated that this work is handled by this department along with its other duties, and that it is impossible to estimate the cost of administering this individual work.

Statistics of Operation

There are 3,200 persons provided for but only 3,000 are receiving benefits at the present time. It is stated that some of the districts have not yet taken up their quotas.

New Zealand

By Bernard Gottlieb, *American Consul, Wellington*

General Pension System

The old-age pension system in New Zealand dates back to 1898. The old-age pension act passed in that year provided for a pension of £18 ($87.60)[50] per annum to persons 65 years of age and over who had 25 years' continuous residence in the country and who had complied with the requirements in other respects. This act was amended a number of times, the last time on September 29, 1925. The law as it now stands is contained in the pensions act of September 9, 1926, which is a consolidation of all previous enactments on the subject.

Coverage of System

The qualifications for the old-age pension are as follows:

1. The applicant, if a male, must have reached the age of 65, or, if a female, the age of 60. The pension age has been reduced to 55 for women and 60 for men where the applicant is the parent of two or more children under 15 years of age for the maintenance of whom he (or she) is responsible. The pension payable in such cases may be any sum up to £13 ($63.26) per annum, in addition to the ordinary pension payable as set out hereunder.
2. The applicant must have resided continuously in New Zealand for the past 25 years. Continuous residence is not considered to have been interrupted by absences not exceeding 2 years. An additional 6 months' period of absence is allowed for every year in excess of the 25 years between the date of arrival and the date of application, provided the applicant has resided in New Zealand during the 12 months immediately preceding the said date of application. In the case of a seaman continuous residence is not interrupted by absences on board a ship trading to and from New Zealand and either registered or owned there, provided the applicant establishes the fact that his home is in New Zealand.
3. The applicant must not during the past 12 years have been imprisoned for four months or on four occasions for an offense punishable by 12 months' imprisonment.
4. The applicant must not during the past 25 years have been imprisoned for 5 years for any offense.
5. The applicant must not during the past 12 years have deserted his wife (or husband, as the case may be) and children.

[50] Conversions into United States currency on basis of pound equals $4.8665.

6. The applicant must have lived a sober and reputable life during the last year.

7. The yearly income, including pension, of the applicant, if single, must not exceed £97 10s. ($474.48), and, if married, £143 ($695.91).

8. The net value of accumulated property must be under £460 ($2,238.59).

9. The applicant must not have deprived himself or herself of property or income to qualify for a pension.

All residents of New Zealand who fulfill the necessary conditions are eligible for the old-age pension, with the exception of: (1) Maoris who receive aid other than pensions out of the grant appropriated by the civil list act, 1908; (2) aliens; (3) naturalized subjects who have not been naturalized one year; and (4) Chinese and other Asiatics, whether naturalized or not and whether British subjects by birth or not.

The term " alien " is deemed not to include a woman who ceased to be a British subject by reason of marriage with an alien who is since deceased or from whom she is legally separated.

Benefits

Method of application.—Each applicant must apply to the registrar of the district in which he resides and fill in a claim form. The registrar proceeds at once to verify the applicant's statements, and the result of his inquiries are transmitted, with the form of application, to the stipendiary magistrate presiding at the nearest court, when a date is fixed for the personal examination of the pensioner. The magistrate, who is required to hear each case in chambers, has power to dispense with the personal attendance of the applicant if he is satisfied that the documentary evidence in support of the claim is sufficient to establish it.

The magistrate intimates his decision to the commissioner of pensions, who, if the pension is allowed, issues a pension certificate for the amount granted, without which no payment can be made.

The term of the pension is for 12 months only, and an application for renewal must be made each year. The first of 12 monthly installments is due on the first day of each month following the granting of the pension by the magistrate. Payment is made through the post office.

Though the due date of each installment falls on the first of the month, payment may be made on any day between the 23d of the preceding month and the first day of the following month.

Amount of benefits.—The maximum pension is £45 10s. ($221.43) per annum, or 17s. 6d. ($4.26) a week, payable in monthly installments of £3 15s. 10d. ($18.45).

The full pension of £45 10s. ($221.43) is subject to deductions as follows: (1) £1 ($4.87) for every £1 ($4.87) of income in excess of £52 ($253.06) per annum; (2) £1 ($4.87) for every £10 ($48.67) of net accumulated property; (3) £1 ($4.87) for every year or part of a year by which the age of the applicant (if a female, between 60 and 65) is less than 65.

The income of a married applicant, for pension purposes, is assessed at one-half of the joint incomes of husband and wife. These joint incomes must not exceed, with pension added, the sum of £143 ($695.91) per annum, which means that an income not exceeding £52 ($253.06) per annum will permit of a full pension of £45 10s. ($221.43) per annum to each of husband and wife.

When the applicant for an old-age pension is in receipt of a military pension exceeding £52 ($253.06) a year, it is substituted for the permitted £52 ($253.06) of income, regardless of its excess, so that he may draw the full old-age pension; if he is married, the limit of £143 ($695.91) on income and pension together is increased by the amount by which the military pension exceeds £52 ($253.06).

"Income" includes free board and lodging up to £26 ($126.53) per annum, but does not include any sickness allowance or funeral benefit paid by a friendly society, or any benefit payable under the national provident fund act, 1910.

Income computation.—The following are not included in the computation of income for pension purposes: (1) Money received from the sale or exchange of land or other property; (2) money received under an insurance policy on the destruction or damage by fire or otherwise of a building or other property; (3) any capital sum received on the intestacy or under the will of a deceased husband or wife; (4) capital moneys expended for the benefit of the applicant or the wife or husband of the applicant; (5) any money raised by public subscription; and (6) any compensation on account of death, not exceeding £100 ($486.65).

The income ordinarily chargeable is that received during the 12 months preceding the date of application; but the magistrate has power, when any part of the income of the applicant or of the applicant's husband or wife, derived from personal earnings, ceases, to exclude from the computation all or part of such earnings, or to treat as income periodical payments to which the applicant or the applicant's wife or husband may be entitled.

Net accumulated property is the capital value of all real and personal property, but does not include furniture and personal effects in the possession of the applicant, life-insurance policies, and annuities or other life interests in the capital sum of which the applicant has no interest beyond the income derived therefrom. The following deductions are allowed: (1) The amount of mortgage existing on the property; (2) property of any value used as a home; and (3) £50 ($243.33) from any other property.

The net accumulated property of a husband or wife for pension purposes is half of the total net accumulated properties of both.

The magistrate may include transferred property, or property disposed of by will by the husband or wife of an applicant, in the computation of the pension.

Pension renewals.—To ascertain whether a pensioner is entitled to a renewal of his pension he is required each year, shortly before the expiry of the certificate held by him, to furnish a statement of his income during the past year, and also of his property. On receipt of this statement the registrar proceeds to verify it, and then submits it to the commissioner, who investigates it in the same manner as an original claim. The commissioner issues a new pension certificate for the amount for which the pension is renewed, and authorizes payment for another 12 months.

If a person is physically unfit to draw his pension in person he may apply to the commissioner to have an agent appointed to collect installments. Any authority issued to such an agent holds good only for the pension certificate for any one year, but it may be renewed each year when the pension itself is renewed. A pension granted to a person maintained in a charitable institution is paid to the governing body of the institution on production of an authority signed by the local registrar. A new authority is required each month in cases of this nature. When any person to whom a pension has already been granted is committed to a mental hospital, the installments of such pension are payable to the mental hospitals department. An inmate of a mental hospital, however, can not lodge an original claim for a pension.

If a pensioner is convicted of drunkenness or of any offense punishable by imprisonment, or misspends, wastes, or lessens his estate, the commissioner is empowered to pay the installments of his pension to an agent for the benefit of the pensioner, or to suspend the pension for such period as he deems fit.

The pension, being for the personal support of the pensioner, is absolutely inalienable, whether by way of assignment, charge, execution, bankruptcy, or otherwise.

An old-age pension is not payable in addition to a widow's pension or a pension for the blind.

No payment is made of an installment which falls due while a pensioner is in jail or out of New Zealand.

On the death of a pensioner the portion of the installment accruing to date of death, together with any unpaid installment then payable, may be paid if applied to defray funeral expenses, or in the case of a pensioner in a charitable institution, toward the cost of maintenance.

If the commissioner has reason to believe that any pension has been improperly obtained he may suspend payment pending inquiry.

If, during the currency of a pension certificate, a pensioner, or the wife or husband of a pensioner, becomes possessed of property or income in excess of the amount allowed by law, the commissioner may have the pension canceled or changed. A magistrate has power on his own initiative to review any previous decision and to cancel or amend any pension authorized by him.

Pension frauds.—Any person who by fraud or other improper means obtains or attempts to obtain a pension to which he is not entitled is liable to six months' imprisonment, or to a fine of £50 ($243.33), as also is any person who aids and abets such person.

It is an offense to receive money in consideration of the procuring of a pension for any person; and it is also an offense to refuse to answer any question concerning an applicant or any statement contained in an application, the penalty being a fine not exceeding £10 ($48.67) in each case.

Where it has been found that a pensioner has been overpaid, and a magistrate is of opinion that such overpayment was obtained by fraud, the pensioner is liable, in addition to imprisonment, to a penalty of double the amount paid in excess.

If on the death of a pensioner, or the wife or husband of a pensioner, it is found that either of them was possessed of property in excess of the amount allowed by law in respect to the amount of pension granted, double the amount of pension so overpaid may be recovered from the estate.

War service.—Every person who, while domiciled in New Zealand, served in South Africa as a member of a New Zealand contingent raised for service in connection with the South African War and has been granted an old-age pension, is entitled to receive an added pension at a rate not exceeding £13 ($63.26) per annum but in such amount that his aggregate receipts from all sources, including pension, shall not exceed the sum of £97 10s. ($474.48) in any year.

Statistics of Operation

The number of pensions granted since 1898, together with the deaths and cancellations during that period, and the number in effect at the end of each period, are shown in the following table:

TABLE 78.—*Old-age pensions granted, deaths, and cancellations since 1898 under old-age pension system of New Zealand*

Year ending Mar. 31	Pensions granted	Deaths	Cancellations	Pensions in force at end of period
1899–1900	12,186	824	77	11,285
1901–1910	17,848	10,237	3,576	15,320
1911–1920	24,028	16,017	3,338	19,993
1921	2,152	1,880	428	19,837
1922	2,553	1,578	321	20,491
1923	2,781	1,763	328	21,181
1924	2,549	1,870	392	21,468
1925	2,654	1,635	425	22,062
1926	3,100	1,839	418	22,905
1927	3,302	2,049	407	23,751
1928	3,638	2,093	421	24,875
1929	3,614	1,968	411	26,110
1930	3,506	2,242	465	26,909
1931	4,640	2,202	352	28,995
Total	88,551	48,197	11,359	----------

Of the pensions current on March 31, 1930, 21,724 were received by Europeans aged 65 and over, and 3,661 by European women aged 60 to 64. The European pensioners formed 1.79 per cent of the total European population. On March 31, 1930, the annual liability was £1,125,673 ($5,478,088), and the gross expenditure for the year 1929–30 was £1,107,993 ($5,392,048), an increase of £47,233 ($229,859) over that of the preceding year. The average pension was £41 17s. ($203.66) per annum, and the cost of the system per capita of European population was 15s. 7d. ($3.79). The total paid out from the beginning of the system to March 31, 1930, was £16,799,094 ($81,752,791).

Expenditures, costs, etc.—It is impossible to obtain separate costs of administration for the old-age pension department, as the old-age pensions are administered by the same agencies and personnel that administer the numerous other types of pension such as war, Maori war, miners', widows', family, etc.

Of the total number of pensions in force March 31, 1930—57,554—26,909 were old-age pensions, and the total payments for 1929-30 for old-age pensions amounted to £1,107,993 ($5,392,048) and for all pensions £2,809,598 ($13,672,909).

The costs of administration for all pensions for the year ending March 31, 1930, of the Pensions Department amounted to £76,755 ($373,528), the principal items of expenditure being £35,863 ($174,-527) for salaries of officers of the department, who numbered 171 on March 31, 1930; £15,476 ($75,314) and £2,689 ($13,086) paid to the Postal Department for payment of pensions and postage and telegrams, respectively; £6,756 ($32,878) for medical fees; £4,488 ($21,841) for salaries and other expenses of the war pensions appeal board; and £2,357 ($11,470) for salaries of the war pensions board. The percentage of cost of administration to the total payments made of £3,031,784 ($14,754,177) was 2.53.

SOURCES FOR NEW ZEALAND: Law 1926, No. 56; Pensions Department, annual reports, for years ended Mar. 31, 1930 and 1931. Wellington. 1930 and 1931.

Norway

By Thomas H. Bevan, *American Consul General, Oslo*

A law was passed on December 7, 1923, providing for old-age pensions for all Norwegian subjects. This law, however, has not as yet been put into force.

Pending the enforcement of the above law, many of the municipalities have adopted a system of insurance and old-age pensions for their inhabitants. Their rules and regulations for such local pensions have to be approved by the Department of Justice and are valid only until the national law of December 7, 1923, is enforced.

General Pension Law of 1923

Coverage of System

Under the law of 1923 old-age pensions are provided for all Norwegian subjects who, at least one-half of the time since their attaining 16 years of age, or in any event during the last five years prior to making a claim for pension have resided permanently in the Kingdom, have sailed under the Norwegian flag, have been in the foreign service of the Norwegian Government, or have been a salaried servant in the employ of a member of the foreign service, or permanently employed by an organization the head office of which is in Norway, or as a spouse, child, or domestic servant has been attached to such official or private household.

As far as married couples are concerned, the right to pension is determined by the fact that the spouse on whose age the pension claim is based has fulfilled the above requirements.

Excluded from pension are those who (*a*) under existing laws have lost the ordinary rights of citizenship and who have not later regained such rights, or (*b*) have been convicted of vagrancy, begging, or intoxication, or neglect to support their families, during the five years immediately preceding the claim to pension. Married couples are not entitled to pension if the spouse on whose age the claim is based is classifiable in one of the above classes. Should anyone be excluded from pension under the above regulation, the amount otherwise due, may, in accordance with the provisions of the pension commission, be used for the support of the family.

Old-age pension is payable only after the age of 70 years has been attained. For married couples it is sufficient that one of the parties has fulfilled this requirement.

Contributions

The pensions, toward which the insured make no contributions whatsoever, are paid by the local government authorities. Each local government is entitled to a subsidy from the State representing 50 per cent of its total annual expenditures for old-age pensions and funeral expenses. However, the contributions from the State are limited to 300 kroner ($80.40)[51] for single persons and 450 kroner ($120.60) in the case of married couples.

It is assumed that the expenditures for old-age pensions are to be covered through the ordinary taxation.

Benefits

In view of the fact that the cost of living varies in the different localities, no fixed sum is stipulated, this question being left to the discretion of the local government authorities, subject to certain rules. A certain "basis" of pensions, for single as well as married couples, must be determined. However, this "basis" must amount to such a sum that 60 per cent thereof will provide the necessaries of life. The annual pension is then fixed at an amount which corresponds to 60 per cent of the difference between the income of the pensioner and the "basis." Gifts or contributions to which the pensioner has no legal claim are not taken into consideration in stipulating the amount of income.

When a pensioner or a member of his family dies there is paid to the estate of the deceased an amount of 80 kroner ($21.44) toward the funeral expenses. However, deductions are made for any amount which may be due from other sources.

Administration

The administration of the old-age pension system is under the supervision of the State Insurance Institute, which acts as a pension board. The expenses in connection therewith, in so far as the present law is concerned, are to be defrayed by the State.

In each community there is to be a committee consisting of a chairman and four other members. The pensioners are under the direct jurisdiction of these committees.

Statistics of Operation

As the law has not yet been enforced, there has been as yet no experience under it.

Old-age pensions paid by municipality of Oslo.—Statistics covering pensions paid by the various communities are not available, but the following figures are given in so far as the municipality of Oslo is concerned.

During the fiscal year 1929–30, 4,617,664 kroner ($1,237,534) were paid as old-age pensions to a total of 6,595 pensioners. In addition, 1,506 mothers with 2,388 children were receiving pensions on June 30, 1930, contributions to which during the fiscal year mentioned amounted to 1,152,078 kroner ($308,757). Furthermore, 332 mothers who are incapable of self-support received 171,152 kroner ($45,869). Invalidity pensions paid totaled 924,934 kroner ($247,748). Total expenditures by the municipality of Oslo, including various miscellaneous contributions, stood at 7,839,744 kroner ($2,101,051) for the fiscal year 1929–30.

Source for Norway: Law of Dec. 7, 1923.

[51] Conversions into United States currency on basis of krone equals 26.8 cents.

Paraguay

Railway Employees' Insurance System

There is no general old-age pension or insurance system in operation in Paraguay. There is, however, a retirement system for railway employees, established under laws Nos. 641, 842, and 1076, the most important provisions of which are summarized below.

Contributions

Each employee is required to make the following contributions: (1) 5 per cent on the amount of his wage or salary up to 6,000 pesos ($135.60)[52]; (2) one month's salary, payable in 24 monthly installments (in the case of a new employee, the first month's salary, payable in 10 monthly installments); and (3) if promoted, the amount of the increase in wages, for the first month.

The carrier's contribution is 2 per cent of the salaries and wages of all the employees and wage earners, and an amount equal to 2 per cent on the freight transported by the road.

Other sources of funds consist of fines imposed under this law, donations and legacies made to the fund, and interest on invested capital.

Benefits

The law provides for regular retirement annuities, disability benefits, and benefits upon voluntary retirement.

The regular annuity is payable at age 45, after 25 years' service, and is calculated on the basis of the average wages received during the last 5 years of service. Those who have reached age 45 and have had the required period of service retire at full pay; those under 45 but with 25 years' service receive 70 per cent of the regular annuity.

Disability benefit, amounting to 60 per cent of the regular annuity, is paid if a worker is permanently incapacitated in the line of duty and from a cause clearly and solely arising out of the service. An employee or worker who, after 10 years' service, is disabled for his employment or for any other suitable to his usual activity or his proved training, receives a disability benefit amounting to 40 per cent of the regular annuity.

The voluntary retirement benefit may be granted to an employee or worker who is over 45 years of age and has served more than 10 but less than 25 years; in such a case the benefit amounts to 20 per cent of the regular annuity. Employees or workers who have reached the

[52] Conversions into United States currency on basis of peso equals 2.26 cents.

retirement age but have had less than 10 years' service are entitled to the refund of their contributions, with interest at 6 per cent.

The law provides also for survivors' benefits, payable to the widow, the invalid widower, the children, or in their absence, the parents. The amount of the benefit is equivalent to 50 per cent of the full annuity which the deceased was receiving or had a right to receive. If the widow of a deceased insured had been divorced from him because of her fault or had been separated from him without desire to be reconciled, she has no right to the survivor's benefit, and the latter passes to the next in line under the law. The right to the benefit is extinguished: (1) For the widow, widower, or mother when he or she marries again; (2) for the sons when they become 18 years of age; (3) for the single daughters when they marry or reach their majority; (4) in general, for dissolute life or vagrancy, or for removing to a foreign country without previous permission of the governing board of the fund.

Administration

The administration of the fund is in the charge of a board of directors composed of a president appointed by the Federal Executive, two representatives of the railroad enterprises, and two representatives of the railroad workers or employees.

Statistics of Operation

A report from V. Harwood Blocker, American vice consul at Asuncion, states that there are at present 916 persons covered by the system. Annuities are being paid to 95 persons, the total sum of 127,732.5 pesos ($2,886.75) being disbursed in benefits each month, or 1,344 pesos ($30.37) per person.

During the four years ending July 31, 1928, contributions were received from 668 employees. The total receipts amounted to 9,210,843.91 pesos ($208,165) and the expenditures to 2,646,462.79 pesos ($59,810). Annuities and survivors' benefits up to July 31, 1928, amounted to 70,148.50 pesos ($1,585) monthly.

Poland

By Charles H. Heisler, *American Consul, Warsaw*

Although a period of 10 years has elapsed since Poland regained her independence, it appears that relatively little has been done to coordinate the public insurance systems left by the former powers. With the exception of nonmanual workers' insurance, which is uniform for the whole of Poland, the other forms of insurance introduced by the German and Austrian Governments in their respective parts of former Poland are still effective to-day, with only minor changes. It is expected, however, that the various insurance systems as now operating will eventually be coordinated.

German insurance legislation for miners is still maintained in the former German territories of Upper Silesia and in the districts of Posen and Pomerania. The only notable change effected by the Polish authorities in these regulations has been, according to reports, to lower the qualifying age from 65 to 60 years.

Insurance of employees in the mining industries in former Austrian Poland is covered by the old Austrian law of July 28, 1889, concerning insurance of miners against illness, invalidity, etc., which was amended January 17, 1890, December 30, 1891, September 17, 1892, and December 30, 1917. These laws, with certain changes, have been adopted by Poland by virtue of the order of the President of Poland of March 22, 1928.

The present system of old-age and invalidity insurance in Poland covers the following classes and territories:

	Territory covered
Nonmanual employees (private or salaried employees).	All of Poland.
Manual workers	Former German Poland (western Provinces and Upper Silesia).
Manual workers on railroads (*cheminots*)	Do.
Miners	Former Austrian Poland (Southern Provinces).
Miners (supplementary insurance for those under manual workers' system).	Upper Silesia.

Salaried Employees' Insurance System

The only uniform system of insurance embracing the whole of Poland at the present time is that covering salaried employees, or nonmanual workers. This system, which was inaugurated by an order of the President of Poland of November 24, 1927, became effective January 1, 1928.

The system provides for: (A) Unemployment benefits—(1) benefit in case of unemployment, (2) sickness benefit when unemployed, and (3) travel expenses; and (B) old-age benefits—(1) invalidity insurance, (2) old-age insurance, (3) medical aid for insured, (4) survivors' insurance for widow or widower, and (5) survivors' insurance for orphans.

Coverage of System

The system covers all mental workers of either sex who are employed by another, regardless of length of time of employment, extent of remuneration, or periods of payment, provided such employees have passed their sixteenth but not their sixtieth birthday at the time they assumed their duties.

A detailed classification of workers eligible to this insurance system is as follows: (1) Persons occupying executive or administrative positions such as administrators and directors of all kinds of establishments, farming and lumbering estates, and industrial establishments connected therewith, engineers, technicians, constructors, shaft men in mines, controllers, farming and foresterial officials, skilled artisans filling executive or responsible positions in establishments, etc.; (2) persons in liberal arts vocations, such as painters, sculptors, singers, musicians, etc., regardless of the artistic value of their production; (3) artistic personnel of theaters, orchestras, film-producing studios, radio-broadcasting stations, and literary and musical advisers; (4) journalists; (5) medical, dental, and veterinary personnel, including trained workers; (6) persons discharging office duties such as bookkeepers, draftsmen, and calculators; (7) telephone and telegraph operators; (8) pharmacists, druggists, cashiers, clerks, traveling salesmen, and collectors; (9) store and library clerks, providing they have completed six grades of primary schooling or their equivalent; (10) music teachers and tutors; and (11) captains, deck officers, and engineers, administrative officers, and assistants in management of Polish River or ocean marine; also persons occupying equivalent positions.

The order provides for the extension or elimination of these groups as the Council of Ministers may deem necessary.

Contributions

In calculating contributions, account is taken of monthly earnings in cash, shares in profits, earnings in kind, and all other remuneration which the insured receives, under legal regulations, agreements, or custom, in lieu of salary or in addition thereto.

In the case of daily wages, the monthly remuneration is computed on a 25-day basis, and in the case of weekly wages, on a 4-week basis.

Variable remuneration, such as commissions, bonuses, etc., is computed monthly on an approximation agreed upon by the employer and employee. The value of remuneration in kind is assessed by the management of the Mental Employees' Insurance Fund after obtaining opinion from appropriate employers' and employees' unions.

The insured are classified in 14 salary classes as follows:

TABLE 79.—*Salary classes and equivalent earning base under salaried workers' insurance system in Poland*

[Conversions into United States currency on basis of zloty=11.22 cents]

Class	Monthly earnings		Equivalent earning base	
	Polish currency	United States currency	Polish currency	United States currency
	Zlotys		*Zlotys*	
Class A	60- 90	$6.73-$10.10	60	$6.73
Class B	90-120	10.10- 13.46	90	10.10
Class C	120-150	13.46- 16.83	120	13.46
Class D	150-180	16.83- 20.20	150	16.83
Class E	180-220	20.20- 24.68	180	20.20
Class F	220-260	24.68- 29.17	220	24.68
Class G	260-300	29.17- 33.66	260	29.17
Class H	300-360	33.66- 40.39	300	33.66
Class I	360-420	40.39- 47.12	360	40.39
Class J	420-480	47.12- 53.86	420	47.12
Class K	480-560	53.86- 62.83	480	53.86
Class L	560-640	62.83- 71.81	560	62.83
Class M	640-720	71.81- 80.78	640	71.81
Class N	720 and over	80.78 and over	720	80.78

This classification may be amended by the Council of Ministers in case it is advisable to introduce a classification based on actual earnings. The council is likewise permitted to include additional groups or to eliminate the groups given above.

Contribution toward invalidity, old-age, medical aid, and survivors' insurance is set for the first five years (i. e., up to January 1, 1932) at 8 per cent of the earning base equivalent to the monthly earnings of the insured. Every five years after that date the Council of Ministers, on request from the Minister of Labor and Social Welfare, will fix the percentage rate for the ensuing 5-year period. In no case, however, can this base exceed 10 per cent of the earning base.

The contribution toward invalidity, old-age, etc., insurance is divided among employer and employee as follows: When the employee's monthly salary amounts to less than 60 zlotys ($6.73),[58] the employer is required to contribute the full sum fixed for that earning base; on monthly salaries ranging from 60 to 399 zlotys ($6.73 to $44.77), the employer pays three-fifths and the employee two-fifths of the earning base; on monthly salaries ranging from 400 to 799 zlotys ($44.88 to $89.65), the earning base is divided equally between the employer and employee; on monthly salaries over 800 zlotys ($89.76) the employer pays two-fifths and the employee three-fifths of the earning base.

In all instances the employer is held responsible for both contributions, the employee's share being deducted from each month's salary. Retroactive deduction is permitted for two months only; all contributions due prior to that time must be covered by the employer out of his own funds.

[58] Conversions into United States currency on basis of zloty equals 11.22 cents.

Benefits

The right to an old-age benefit is acquired at the age of 65 years, but insured men who have contributed for 480 months and are at least 60 years of age, and insured women who have contributed for 420 months and are at least 55 years old, may claim an old-age benefit. The right to an old-age benefit stands irrespective of whether the insured is or is not capable of working. The benefit consists of a basic benefit equal to 40 per cent of the basic salary and an increase of one-sixth of 1 per cent for every month's contribution over the first 120 months. After 480 contribution months the benefit amounts to 60 per cent of the basic salary.

The widow's benefit amounts to three-fifths, that of a half orphan one-fifth, and that of a full orphan two-fifths, of the benefit to which the deceased was or would have been entitled at the time of his death.

A lump sum equal to the annual basic salary of the insured is granted to the insured, widow (widower), or children, and one-half of the average basic salary to parents of the insured in cases where the risk covered occurs before the end of the 60-month qualifying period.

Administration

The administration of mental employees' insurance is intrusted to fund offices (*Zaklady Ubezpieczen Pracownikow Umyslowych*) located in Warsaw, Lemberg, Posen, and Krolewska Huta. These fund offices are banded into a central association called the Association of Fund Offices (*Zwiazek Zakladow Ubezpieczen Pracownikow Panstwowych*), located in Warsaw.

Each fund office has four committees, comprising management, executive, audit, and benefit.

The management committee is presided over by the president of the fund office, who is nominated by the Minister of Labor and Social Welfare for a term of six years, and is composed of employers' and employees' representatives, the ratio being two representatives of the employees to one representative of the employers. The functions of this committee include nomination of commissions, the budget, accounts, and disposition of funds.

The executive committee is headed by the president of the fund office and is composed of from 9 to 15 members, of whom two-thirds are representatives of the employees and one-third representatives of the employers. Beside the technical operation of the office, this committee takes care of personnel matters, distribution of funds, and preparation of the budget for presentation to the management committee.

The audit committee consists of six members and six substitutes elected by the management for a period of one year; two-thirds thereof must be representatives of the employers and one-third representatives of the employees.

The benefit committee, which is composed of the president, two employee representatives and one representative of the employers, is intrusted with all affairs and decisions connected with benefits.

The Association of Fund Offices has the following activities: (1) Action in all matters affecting the insured as a whole; (2) organization of medical service and sickness prevention; (3) rendering decisions in controversies among fund offices; (4) coordination of offices administrative systems; (5) cooperation with other insurance organizations in the matter of location of funds; (6) settling accounts between various fund offices; (7) outlining conditions for settling accounts between the various fund offices; (8) maintaining central insurance statistical records; (9) representing the whole system, including fund offices at local and international insurance conventions; and (10) inspection and audit of funds.

The administration of the association is composed of two committees; viz., a management and an audit committee.

The management committee is formed by members delegated by managements of the various district fund offices; i. e., one member each from the employer and the employee groups. Other members of this committee are nominated by the Minister of Labor and Social Welfare for a period of six years. The chairman of the committee is also nominated by the Minister of Labor and Social Welfare.

One member delegated from the audit committee of each fund office composes the audit committee of the association.

Statistics of Operation

The following statement shows the most recent data available as regards the operation of the salaried employees' insurance system:

Number of persons insured, Dec. 31, 1928	225,081
Persons receiving benefits:	
Invalidity benefit	1,016
Old-age pension	838
Widows' benefit	1,605
Orphans' benefit	1,640
Total	5,099

Average benefit per month	70.13 zlotys	($8)
Receipts of fund, 1928	71,703,182 zlotys	($8,045,097)
Contributions	63,769,459 zlotys	($7,154,933)
Expenditures of fund, 1928	10,161,987 zlotys	($1,140,175)
Benefits	6,668,961 zlotys	($748,257)
Cost of administration, 1928	2,479,541 zlotys	($278,204)

Manual Workers' Insurance System

The insurance for manual workers is an inheritance from the old Prussian régime (insurance code of 1911), and applies only to the former German territory. In 1929 a bill was presented introducing, for this class of workers, a system of social insurance (covering invalidity, old age, and death) throughout Poland, but it failed to pass.

Statistics of Operation

The official report on the operation of the Polish insurance system for 1928 (the latest year for which data are available) shows the following figures. It should be borne in mind that the data apply only to the former German territory (now the Polish western Provinces and Upper Silesia).

Number of persons insured	926,000
Number of persons receiving benefits:	
Invalidity benefit	54,770
Old-age benefit	15,296
Widows' benefit	17,370
Orphans' benefit	28,539
Total	115,975

Total receipts of fund	33,665,684 zlotys	($3,777,290)
Contributions	31,272,712 zlotys	($3,508,798)
Total expenditures of fund	20,931,009 zlotys	($2,348,459)
Benefits paid	19,154,964 zlotys	($2,149,187)
Cost of administration	103,427 zlotys	($11,605)

Railroad Workers' Insurance System

In the former German Poland (the western Provinces and Upper Silesia) there is also a system of old-age and invalidity insurance for common laborers employed on the railroads (*cheminots*), which was set up under the German insurance system and still continues in operation.

Contributions

The system is divided into two separate and independent sections, the first of which functions in a manner similar to the general old-age pension and invalidity system of manual workers in former German Poland (see p. 318); the other provides additional benefits for widows and orphans.

For contribution purposes, to provide survivors' benefits, the workers are divided into 9 wage classes, ranging from 0.90 to 2.10 zlotys (10 to 24 cents) per week.

Half of the required contribution is paid by the worker and half by the employer. In addition, the carrier pays into the fund an amount equal to 25 per cent of the total contributions.

Statistics of Operation

The following figures, taken from the 1928 Department of Labor and Social Welfare report on social insurance, shows the operations of this fund in that year:

Number of persons insured	86,586
Number receiving benefits:	
Old-age and invalidity benefit	5,211
Widows' benefit	3,384
Orphans' benefit	5,696
Total	14,291

Receipts of fund	8,550,834 zlotys	($959,404)
Contributions	7,931,558 zlotys	($889,921)
Expenditures of fund	4,843,707 zlotys	($543,464)
Benefits paid	4,569,460 zlotys	($512,693)
Cost of administration	103,427 zlotys	($11,605)

Miners' Insurance System

The old Austrian miners' insurance laws as amended by the Polish administration are now effective in the Provinces of Cracow, Lemberg, Stanislau, Tarnopol, and also in the counties of Cieszyn and Bielsk in the Province of Silesia (the latter formerly belonging to Germany).

Coverage of System

All miners employed in the mining industry (in the districts named above only) are required to join local miners' insurance associations. These associations are required to pay: (1) Invalidity benefits; (2) survivors' benefits; and (3) funeral benefits.

Contributions

Each association must draw up by-laws, which are subject to approval by the Polish Minister of Labor and Social Welfare. These by-laws must fix the extent of contributions, which, however, can not be less than 6.20 zlotys (70 cents) per month.

Benefits

The amount of the benefit is also fixed by the by-laws of the association, but in no case may it be less than 240 zlotys ($26.93) per annum. The by-laws may fix the amount of the benefit on the basis of membership years or earnings. In case of death of the insured the association must pay to the widow a benefit for life (or up to the time of remarriage) amounting to one-half of the benefit which the deceased drew at the time of death or to which he would have been entitled were he an invalid. Legitimate and illegitimate children up to 16 years of age are also entitled to a survivor's benefit, that for a full orphan being one-half and that for a half orphan one-fourth of the benefit which the deceased drew at the time of death or to which he would have been eligible if he were an invalid. The total widow's and orphans' benefits can not exceed the invalidity benefit which the deceased drew at the time of death or to which he would have been eligible if he were an invalid.

Administration

Each association has legal personality. The management of an association is composed of representatives of the insured members and representatives of the mine owners or their authorized representatives. The number of owners' representatives can not exceed one-third of the management's total representation. The management handles all matters, excepting those reserved for the decision of the general assembly.

Statistics of Operation

The statement below shows the main items of operation of the miners' insurance system in former Austrian Poland, at the end of 1928:

Number of persons insured		11,325
Number receiving benefits:		
Invalidity benefit		2,500
Widows' benefit		1,187
Orphans' benefit		926
Other		1
Total		4,614
Receipts of fund	856,357 zlotys	($96,083)
Contributions	845,775 zlotys	($94,893)
Expenditures of fund	1,022,528 zlotys	($114,728)
Benefits paid	829,205 zlotys	($93,037)
Cost of administration	107,971 zlotys	($12,114)

Supplementary insurance for miners in Upper Silesia.—The miners in the former German territory of Upper Silesia are covered under the general compulsory insurance for manual workers (see p. 318) which had been established in that region under the German insurance code of 1911 and which was continued after the territory became part of the present-day Poland. In addition to benefits received under that system, these miners receive supplementary benefits under a special system. In 1928 the number of insured and amount of benefits under the supplementary scheme were as shown below:

Number of persons insured		86,523
Number receiving benefit		51,180
Receipts of fund	22,281,362 zlotys	($2,499,968)
Contributions	20,362,527 zlotys	($2,284,676)
Expenditures of fund	21,461,687 zlotys	($2,408,001)
Benefits paid	20,178,540 zlotys	($2,264,032)
Cost of administration	1,097,804 zlotys	($123,174)

SOURCES FOR POLAND: Ministerstwa Przemysłu i Handlu, Ustawa Górnicza, Warsaw, 1925; Dziennikustaw, Nos. 36, 106, 118; Sprawozdanie Związku Zakładów Ubezpieczeń Pracowników Umysłowych (Nov. 11, 1928, to Dec. 31, 1929), Warsaw, 1930; Ministerstwo Pracy i Opieki Spoteczenej, Ubezpieczeń Spotecznych w Polsce, 1928, Warsaw, 1930.

Portugal

Workers' Insurance System—Law of 1919

Coverage of System

By decree (No. 5638) of May 10, 1919, Portugal established a system providing for national insurance against invalidity and old age, and for benefits to survivors. It was made compulsory for all persons between the ages of 15 and 65 years of age earning less than 900 escudos [54] a year. The classes exempted from this compulsory insurance are: (1) Government officials and employees already entitled to pensions; (2) soldiers employed as laborers; (3) infirm persons who can not earn one-third of the average wages of ordinary workers; (4) persons who, instead of wages, are entitled to free subsistence.

Contributions

Under the scheme the employers contribute 6 per cent of all wages and salaries up to 900 escudos, the employees contribute 1½ per cent of their wages or salary, and the State bears the cost of administration and makes a contribution amounting to 13.33 escudos for each soldier recruited.

Contributions are made by means of special stamps placed in a book kept by the insured. The amount of contributions may be revised every other year.

Benefits

The full old-age benefit, amounting to the total earnings, is paid when the insured has reached 70 years of age and has paid 1,410 weekly contributions. A transitory period of 25 years was established, in order to provide for those whose age at the time the insurance went into effect does not permit them to make the required number (1,410) of weekly contributions before they become 70 years of age. Those who were 45 years of age at the time the system became operative receive 75 per cent of the full annual benefit, those over 50 years of age receive 50 per cent, and those over 60 receive only 25 per cent of the full annual benefit.

If an insured worker dies before obtaining an invalidity or old-age pension but after paying the required contributions, his children shall be paid 10 escudos per month for the six months following the death of the insured. In case a widow is left without children, she receives 50 escudos payable in five monthly installments. When there is neither widow nor children, ascendants are to be paid 60 escudos.

Administration

An Institute of Insurance and Welfare is established for the supervision and direction of all classes of compulsory social insurance.

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[54] The exchange rate of the escudo has fluctuated so much that no attempt at conversions is deemed advisable.

General Insurance System—Law of 1928 (Suspended)[55]

A law (Decree No. 15343) was passed April 11, 1928, which superseded a previous law (that of May 10, 1919), and provided for the establishment of a general system of old-age and invalidity insurance in Portugal. However, because of the constant depreciation of the Portuguese currency it was impossible to make effective calculations and the law was, therefore, suspended shortly after its passage, and the system has never been put into operation. Legislation has recently been enacted stabilizing the escudo, and it is expected that the insurance system will be put into force in the near future.

An account of the various features of the system provided for under the law is given below.

Coverage of System

The law applies to all persons of either sex, between the ages of 15 and 65 years of age, who work for remuneration not exceeding 9,000 escudos per year. This includes domestic workers also.

Foreign wage earners residing in Portugal or its adjacent islands, who are nationals of countries providing reciprocal advantages for Portuguese citizens abroad, are also covered.

In addition to the two foregoing classes, compulsorily covered, voluntary insurance under the scheme is open to independent workers, between 15 and 50 years, whose annual income does not exceed 9,000 escudos.

The following are excluded: Employees of the Government, corporations, and municipalities already provided for under separate retirement systems; officers temporarily commissioned by the Government for a particular piece of work; employees of any enterprise which maintains a system providing benefits at least equal to those established under the present law; persons incapacitated by disease from earning a regular living; and persons tried at either civil or military courts.

Contributions

The system provides for contributions of approximately 2½ per cent of the salary or wage by the employee and an equal amount by the employer. The contributions in the seven wage classes established under the law are shown in the following table, half the amount being paid by the employer and half by the employee:

TABLE 80.—*Rate of contribution under (suspended) old-age insurance system of Portugal*

Wage class	Rate of contribution—		
	Per day	Per week	Per month
	Escudos	*Escudos*	*Escudos*
2.50 escudos or less	0.12	0.72	2.88
2.51–5.00 escudos	.24	1.44	5.76
5.01–7.50 escudos	.36	2.16	8.64
7.51–10.00 escudos	.48	2.88	11.52
10.01–12.50 escudos	.60	3.60	14.40
12.51–15.00 escudos	.72	4.32	17.28
Over 15.00 escudos	.84	5.04	20.16

[55] Data supplied by Carl F. Deichman, American Consul General, Lisbon.

Payment of contributions is evidenced by the entry of stamps in a booklet provided for the purpose. These stamps are obtained at any municipal treasury office or post office.

Contributions may voluntarily be paid at a higher rate in order to increase the amount of the annuity.

The contributions of persons voluntarily insured are to be paid monthly at a rate of from 5 to 10 per cent of the income, but must amount to 100 escudos annually.

The rate of contribution may be revised by the administrative authorities every five years.

There is no provision for a contribution by the State.

Benefits

The annuity normally becomes payable to those compulsorily insured at age 65, provided the insured has made at least 480 weekly contributions. In case of permanent total disability because of illness or accident the annuity may be paid after 240 contributions.

The amount of the yearly benefit provided for under the law varies according to the amount and number of weekly contributions, being determined in the following manner: 90 per cent on the first 240 contributions, plus 60 per cent on the next 240 contributions, plus 18 per cent on all subsequent contributions.

The annuities payable to persons voluntarily insured are to be determined in regulations to be issued later. Benefits to this class begin at 60 years, provided the insured have made contributions for at least 10 years. For a shorter period of contribution the benefits are reduced proportionately.

Benefits under the act are exempt from taxation and can not be seized or alienated.

The right to the regular annuity is absolute, upon reaching the retirement age, and its payment continues even though the insured finds employment, provided it is in some other occupation than his regular one.

Benefits during transitional period.—Special provision is made for those compulsorily insured and already at the retirement age or who reach that age during the period immediately following the coming into force of the act and before having paid the required number of contributions. Thus, those between 60 and 65 years of age at the time of effectiveness of the act are entitled to receive the annuity after a lapse of five years and upon the payment of 240 weekly contributions, while those between 55 and 60 years are entitled to benefit upon reaching the age of 65 and completing 240 contributions. Persons disabled for work within five years from the date of effectiveness of the law are entitled to the disability benefit after making 48 weekly contributions, provided they can prove they worked regularly during the five years prior to the act. If, however, the disability is due to an industrial accident or occupational disease for which the insured is entitled to workmen's compensation, the compensation plus the disability annuity may not exceed the annual salary.

Administration

The law provides that the insurance shall be administered by the Government, through the National Institute of Insurance and Welfare (*Instituto Nacional de Seguros e de Previdencia*). This organization is charged with the collection of contributions, administration of funds, and granting of annuities. It is also authorized to establish branches in the various districts of Portugal.

The local administration of the insurance is to be carried out by municipal welfare boards, including in their membership the mayor (acting as chairman), the director of the local board of charities, a municipal physician, a druggist residing in the community, a schoolmaster, the civil registrar, the town clerk, two members appointed by the local mutual insurance associations, a representative of the employers, and a representative of the employees.

The national institute is given authority to inspect the books of any insurance association coming under the law, as well as those of any private pension fund. In other words, upon the establishment of the general system the Government takes over the supervision of all organizations providing retirement benefits, and these must submit to the institute an annual report of their operations.

Disputes arising over the interpretation of the law or the operation of the system are to be passed upon in the first instance by the chiefs of the branches of the institute. Appeal may be taken from their decision to the administrative board of the institute.

Statistics of Operation

The number of persons in the classes covered by the law is officially estimated at 2,000,000. Of these, some 25 per cent are already insured with private insurance organizations.

As the system has never been put into operation, there has, of course, been no experience under the law.

Rumania

At the present time Rumania is still administering the pension and insurance laws which were in force before the World War. These laws have all been amended since they first came into force.

The present Rumania includes the old Kingdom of Rumania; Transylvania, which formerly belonged to Hungary; Bukowina, which belonged to Austria; and Bessarabia, which belonged to Russia. Old Rumania, Transylvania, and Bukowina each had its own pension laws, and these were retained when the present country of Rumania was constituted. In Bessarabia the law of the old Kingdom of Rumania was introduced in 1921. The more recently acquired Dobrodja, which was formerly part of Bulgaria, had no insurance laws, and the law of the old Rumanian Kingdom was extended into this territory also. The law under which the old Kingdom and Bessarabia are governed is the law of 1912, which has since been revised several times. The law now in force in Bukowina is the Austrian law of 1887 and 1888, while that in Transylvania is the Hungarian law of 1907.

The administration of pensions and insurance falls, then, under three different laws. All three of these laws are similar in principle.

Coverage of System

The following classes of workers are covered by the old-age insurance system: In the old Kingdom and Bessarabia—all those who are engaged in one of the trades or professions specified in the law of 1912, all unskilled industrial workers, laborers engaged in enterprises using generated power, and laborers engaged in digging enterprises, mines, or quarries; in Transylvania—all those working in exploitative, commercial, or industrial enterprises, but those working in mining enterprises are not entitled to sickness, disability or old-age pensions, or insurance, unless they are members of the local brotherhoods, i. e., organizations of workers, in the same trade, factory, or enterprise, established for the purposes of recreation, sport, etc.; in Bukowina—those working in commercial or industrial enterprises.

These laws are insurance laws. They provide, in general, insurance for sickness, disability, accident, old age, and death.

Contributions

The system of contribution varies in method and in amount. Because of the fact that these laws are in some parts of the country administered through the brotherhoods, each of which may require different amounts of contribution, depending upon the risk involved, there are no figures available as to the amounts of contribution. However, the contributions are divided between the insured and the employer in fixed proportions. In some cases the Government also contributes, but the appropriation is not a fixed sum and varies widely, depending upon the condition of the national budget.

The old Rumanian law of January 25, 1912, provided for equal contributions by the worker, the employer, and the State. The rate of contribution for the first 10 years of the operation of the act—i. e., until 1922—was fixed at 0.45 leu per week, payable in equal proportions by the three parties. The law provided for a revision of rates every 10 years. No information is available, however, as to whether this has been done or as to what the present rate is. As an emergency measure, to provide a cost-of-living supplement to the benefits, in 1924 an additional contribution of 1.35 lei weekly from employers and employees was levied, and the State was to contribute 15,000,000 lei a year while the emergency measure remained in force.

Benefits

The old Rumanian law of 1912 provided for an old-age annuity payable at age 65, provided the insured had paid 1,200 weeks' contributions, and for an invalidity benefit, regardless of age, to insured who became permanently disabled, provided they had paid 200 weeks' contributions (at the rate of at least 16 weeks' contributions per year). Provision was also made for medical treatment in order to prevent or cure the invalidity.

The invalidity benefit was fixed at 150 lei per year, plus 0.10 leu for every week's contributions in excess of 200. The old-age annuity was placed at "a fixed proportion of the invalidity allowance, if the insured person is still capable of earning a living."

In 1924 a supplementary cost-of-living bonus was granted, the amount of which was to be fixed by the Rumanian Ministry of Labor, in consultation with the governing body of the social insurance system. The bureau has no information as to how long this bonus measure remained in force.

Refunds of contributions were provided for in case of death prior to receipt of either invalidity or old-age benefit, provided 200 weeks' contributions had been made.

Whether or in what respect later changes have been made in the law the bureau has been unable to ascertain.

Administration

The insurance system in the old Kingdom and Bessarabia has three different divisions, namely, sickness, disability and old age, and accident. The first two of these are administered under the control of a general directorate.

In Transylvania the sickness and accident funds, as well as the funds of each mining brotherhood, are managed by the Central Brotherhood of Social Insurance, through its central consultation council and the "managing councils" attached to each district brotherhood.

The administration of insurance in Bukowina is similar to these systems but has only two divisions, illness and disability and old age coming under the same grouping.

Statistics of Operation

The general average of the number of persons insured per year for all of Rumania is 620,000, of whom 360,000 are in Transylvania, 40,000 in Bukowina, and 220,000 in the old Kingdom (including Bessarabia). This number is said to correspond with the approximate figure of 1,000,000 persons either permanently or temporarily insured in Rumania.

No other data as to operation are at present available.

Union of South Africa

By Charles A. Converse, *American Vice Consul, Cape Town*

The advisability of introducing a system of old-age pensions having been advocated for some years by different sections of the community, the Minister of Finance in 1924 instructed one of the Treasury officials to investigate the matter. As a result of this investigation the minister, toward the end of the following year, appointed a commission to inquire into and report on schemes of old-age pensions and national insurance. The commission embodied the result of its investigations and its recommendations in three reports.

The Government decided to adopt the commission's recommendation that a system of old-age pensions should be introduced, and in 1928 a draft bill giving effect generally to the recommendations of the commission was submitted to and passed by both Houses of Parliament. The bill became law and operative from January 1, 1929. There have been no changes in the bill since that date.

General Pension System

Coverage of System

The old-age pension act of 1928 provides that pensions shall be awarded to all white and colored persons who possess the necessary qualifications.

A "colored" person means any person who is neither white nor (*a*) a Turk or member of a race or tribe whose national or ethnical home is Asia; nor (*b*) a member of an aboriginal race or tribe of Africa; nor (*c*) a Hottentot, Bushman, or Koranna; nor (*d*) a person who is residing in a native location as defined in section 19 of the natives' taxation and development act, 1925 (Act No. 41 of 1925), under the same conditions as a native; nor (*e*) an American Negro. The term includes a member of the race or class commonly called Cape Malays and of the race or class commonly called Griquas.

Asiatics and aboriginal natives are not eligible for pension.

Subject to the provisions of the act, the commissioner must be satisfied that—

(*a*) The applicant has attained the age of 65.

(*b*) He is domiciled in the Union of South Africa.

(*c*) He is resident in the Union at the time of making application for the pension.

(*d*) He has been a British subject for five years and has been ordinarily resident in the Union for 15 out of the 20 years immediately preceding that of the application.

(*e*) His total means do not exceed the appropriate amount prescribed in the act, £51 ($248.19)[56] in the case of whites and £33 ($160.59) in the case of colored applicants.

It is provided that—

(*i*) No woman who, but for her marriage with an alien, would have been qualified to receive a pension shall because of such marriage be or become disqualified to receive a pension.

(*ii*) For the purposes of the act residence in the Union shall not be deemed to have been interrupted by any period spent outside the Union during which the person concerned has maintained his domicile in the Union, or been in a territory administered by the Union.

(*iii*) No pension shall be payable to a person for any period during which he is being compulsorily detained and maintained at the public expense in a leper institution, mental hospital, prison, or other State institution.

The act makes provision only for British subjects; but since its promulgation Parliament has approved of its provisions being extended to aliens who have resided in the Union for 25 out of the last 30 years.

Benefits

Pensions are limited to those whose annual incomes and earnings do not exceed £51 ($248.19) in the case of whites and £33 ($160.59) in the case of colored applicants, the maximum pension being £30 ($146) for whites and £18 ($87.60) for colored. The pension is graded according to the claimant's means, as follows:

Table 81.—*Amount of pension according to applicants' yearly income or earnings, under old-age pension system of South Africa*

[Conversions into United States currency on basis of pound=$4.8665]

Yearly income or earnings	Amount of pension per year	
	British currency	United States currency
White persons:		
Up to £24 ($116.80)	£30	$146.00
Over £24 ($116.80) to £30 ($146.00)	24	116.80
Over £30 ($146.00) to £36 ($175.19)	18	87.60
Over £36 ($175.19) to £42 ($204.39)	12	58.40
Over £42 ($204.39) to £48 ($233.59)	6	29.20
Over £48 ($233.59) to £51 ($248.19)	3	14.60
Colored persons:		
Up to £18 ($87.60)	18	87.60
Over £18 ($87.60) to £21 ($102.20)	15	73.00
Over £21 ($102.20) to £24 ($116.80)	12	58.40
Over £24 ($116.80) to £27 ($131.40)	9	43.80
Over £27 ($131.40) to £30 ($146.00)	6	29.20
Over £30 ($146.00) to £33 ($160.59)	3	14.60

Administration

The general administration is under the control of the Commissioner of Pensions. Magistrates have been appointed district pension

[56] Conversions into United States currency on basis of pound equals $4.8665.

officers, and they, with the aid of the police, are responsible for the investigation of claims.

Statistics of Operation

Up to August 31, 1930, applications to the number of 60,465 had been made, and 56,383 had been acted upon favorably. The number of pensions current at that time, the racial classification of the pensioners, and the aggregate amount of the pensions were as follows:

TABLE 82.—*Number of pensioners and amount of pensions under old-age pension system of South Africa, by nationality and color of pensioners, August 31, 1930*

[Conversions into United States currency on basis of pound=$4.8665]

Color	British subjects			Alien residents			Total		
	Number of pensioners	Amount of pensions		Number of pensioners	Amount of pensions		Number of pensioners	Amount of pensions	
		British currency	United States currency		British currency	United States currency		British currency	United States currency
White	35, 446	£1, 014, 639	$4, 937, 741	721	£20, 790	$101, 175	36, 167	£1, 035, 429	$5, 038, 915
Colored	16, 530	292, 578	1, 423, 831	21	366	1, 781	16, 551	292, 944	1, 425, 612
Total	51, 976	1, 307, 217	6, 361, 572	742	21, 156	102, 956	52, 718	1, 328, 373	6, 464, 527

The average pension for white persons was £28 12s. 7d. ($139.32) per annum, and for colored persons, £17 13s. 11d. ($86.12).

Inasmuch as the system is a noncontributory one there are no receipts. Expenditure of £1,328,373 ($6,464,527) is met from the consolidated revenue fund. The costs of administration are £20,000 ($97,330) or 1½ per cent on the benefits payable and include cost of preparation of warrants and payments by post offices on the authority of the Commissioner of Pensions, but do not include cost of investigation in the districts by magistrates and police officers whose salaries are met from the votes of their respective departments.

SOURCE FOR SOUTH AFRICA: Act No. 22, 1928.

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Spain

By Maurice L. Stafford, *American Consul, Madrid*

The Spanish old-age pension and insurance was established by the law of February 27, 1908. The plans drawn up under authority of the act, and which followed closely the purposes set forth therein, were adopted by the royal decree of December 24, 1908. They were amplified by the royal decrees of August 10, 1910, January 26, 1919, and March 4, 1922. The main object, i. e., that of providing old-age pensions through insurance provided by the State and the employers, was made obligatory by the royal decree of March 11, 1919.

Although the initial intention was the establishment of a system of old-age benefits, other types of insurance have been added, as well as injury resulting from industrial accidents. The royal decree of November 20, 1919, which is now the basic law of the system, specifies the following forms of social insurance: Old-age pensions, pensions for widows and orphans, life annuities, childrens' paid-up insurance (*los seguros infantiles diferidos*), unemployment, invalidity, accident, sickness, and maternity benefits, and "any other proper insurance on the human life based on designated contributions." All the types of insurance specifically designated are in force except that relating to unemployment.

Compulsory Insurance

The royal decree of March 11, 1919, established the compulsory old-age pension system.

Coverage of System

Insurance under the system is compulsory for all wage earners between the ages of 16 and 65 whose wages do not exceed 4,000 pesetas ($772) per year.

The whole group of insured is divided into two classes—those less than 45 years of age and those more than 45 (in recognition of the fact that those in the latter group are greater risks).

The classes who may receive social insurance benefits are specified in article 20 of the royal decree of August 17, 1910 as follows:

(1) Spaniards more than 18 years of age, residing in Spain; aliens resident in Spain for more than 16 years if and when the States to which they owe allegiance grant like privileges to Spanish subjects residing therein. Portuguese citizens and citizens of the Republics of Latin America are specially mentioned in this regard.

(2) Those who have paid their taxes within the calendar year during which the claim is made, except those who within said year may have suffered an industrial accident causing total disability.

(3) Those alive on the 1st day of January next preceding the year of the tax.

(4) Those who have chosen the age of retirement, i. e., 55, 60, or 65.

(5) Those whose salaries or wages do not exceed 3,000 pesetas ($579)[57] per year.
(6) Those whose taxes do not exceed certain designated amounts.
(7) Those affiliated with the National Provident Institute through direct insurance, reinsurance, or coinsurance.
(8) Those who do not receive other pension from any official or private source.

Contributions and Benefits

For workmen under 45 years of age, the State contributes 1 peseta per month per person. The employer's contribution is set at an amount sufficient to provide, together with the State's contribution, a pension of 365 pesetas ($70.45) per year from the age of 65. The initial contribution from the employers will be 3 pesetas (58 cents) per month per employee, or 10 centimos (one-tenth of a peseta or 1.9 cents) daily for workmen hired by the day and who serve for less than one complete month. No contribution is required of workmen under 45 years of age.

Employers are privileged to contribute more than the quotas provided, in case they wish to provide more generous pensions for their workmen, and it is understood that many have done so. Failure of an employer to contribute his share of insurance premiums is punishable in the courts of first instance.

After passing the age of 45, the insured workmen may contribute to the retirement fund, and they may elect to contribute a sum greater than that required, in order to increase the benefits which they will receive at retirement or to advance the age of retirement or to provide benefits for their heirs. Their monthly premium for this additional insurance is set at 1 peseta (19.3 cents) per month, and the State agrees to assist with a contribution of 5 per cent of the workman's payment, but not to exceed 3 pesetas (58 cents) per year.

There are two general classes of retirement pensions: (*a*) Retirement under the "alienated capital" plan (*capital cedido*), providing simply for an income from the time of retirement until death; and (*b*) retirement under the "reserved capital" plan (*capital reservado*), providing benefits for surviving heirs in addition to the benefits paid between retirement and death. The latter is more expensive and requires contributions from the workmen themselves.

The maximum pension which can be received by the insured between retirement and death is 3,000 pesetas ($579) under the alienated capital plan, and 5,000 pesetas ($965) under the reserved capital plan.

Old-age pensions begin at the age of 55, 60, or 65, according to the type of benefit he may have elected to accept. Each payment represents one premium. Upon reaching the age chosen, the sum of the type of pension or pensions chosen by him and purchased by all the premiums paid by him, will be the pension paid. This is the type provided by what is known as the "Régimen de Libertad Subsidiada."

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[57] Conversions into United States currency on basis of peseta equals 19.3 cents.

Pensions can not be assigned nor can they be discounted or attached.

A workman who has provided insurance for his heirs may, at the age of 35 and if without wife or children or other legitimate heirs, claim the total amount paid in. An insured without heirs may name any beneficiary he may choose.

Administration

The State old-age pension and insurance system of Spain is administered by the National Provident Institute (*Instituto Nacional de Previsión*) which was established by the law of February 27, 1908, and which began its official existence on July 11, 1909.

While the chief aim of the system has been carried out, there have been added to the functions of the institute various other duties as well as modifications of original administrative features, all now comprehended in a voluminous mass of laws which fill a book of nearly 700 pages with 13 appendixes.

The institute can be designated as an " independent bureau " of the Government, although the State, through the Ministry of Labor, exercises certain supervisory powers and makes an annual contribution to the pension system. The State names the president of the institute who acts as the official representative of the Ministry of Labor. The governing body is the Consejo de Patronato, composed of representatives of the public services, the employers, the workmen, and the independent provincial and regional provident associations with which the Federal body cooperates and from which it accepts a rather complicated system of coinsurance and reinsurance.

The autonomous nature of the institute is made possible by the funds which it has built up, through joint contributions from the State, the employers, and for certain forms of insurance from the workmen themselves. The surplus, remaining after paying the pensions and benefits, it may and does invest in prescribed securities and in loans for public undertakings, such as to municipalities and Provinces for the building of schools, hospitals, and sanitary systems.

Statistics of Operation

Actual payment of pensions under the Spanish system of obligatory old-age insurance will not begin until the year 1941 and no forecast of the efficiency of the plan can be made in advance. On June 30, 1930, there were 3,395,212 workmen thus insured by the National Provident Institute and its affiliated funds, certainly a small number in a country of approximately 22,000,000 persons. But in this connection it should be remembered that Spain is not an industrial country and that some 17,000,000 of the population live on or from the land, so the number is not relatively so small as it would be in a nation that is more highly industrialized.

Since the inauguration of the obligatory scheme in 1919, a total of 266,020,316.65 pesetas ($51,341,921) has been paid in by employers. The State's required contribution would be one-third of this, or 88,673,435.55 pesetas ($17,113,973), making a grand total of

354,693,752.20 pesetas ($68,455,894), providing the State's share has been paid in full.

Payments over a period of years are shown by the following table, copied from the booklet "Veinte Años de Previsión Social":

TABLE 83.—*Amounts in possession of Spanish social-insurance funds in specified years*

[Conversions into United States currency on basis of peseta=19.3 cents]

Fund	Amount	
	Spanish currency	United States currency
	Pesetas	
National Institute and Fund of Catalona: 1913	651,939.80	$125,824
National Institute and Funds of Catalona and Guipúzcoa: 1918	3,692,798.42	712,710
National Institute and Funds of Colaboradoras:		
1923 [1]	58,609,697.54	11,311,672
1928	238,461,546.47	46,023,078
1930 (June 30)	266,020,316.65	51,341,921

[1] Compulsory insurance went into effect in 1919.

Growth in number of participants is shown below. The figures for the years 1913 and 1918 apply only to the institute. Those for other years apply to the institute and the affiliated funds.

1913	60,223
1918	202,810
1923	1,660,924
1928	3,385,045
1930	3,395,212

Other Forms of Insurance

The specific types of social insurance authorized to the National Provident Institute and organizations of similar purpose by its organic law were extended by the royal decree of November 20, 1919, which provided for the following: (*a*) Workmen's retirement and old-age insurance; (*b*) benefits for widows and orphans of participants in the State insurance; (*c*) life insurance and annuities and the use of premiums thereon for the building of cheap houses and other social purposes; (*d*) deferred insurance for children; (*e*) insurance against enforced unemployment; (*f*) sickness, accident, invalidity, and maternity insurance; (*g*) any other insurance on human life, its duration, or normal happenings affecting human life.

Insurance for Employees of Social Insurance Funds

This insurance system is applicable only to employees of the National Provident Institute and the regional funds (*Cajas*). It is obligatory in character, is administered by the institute itself, and provides insurance against old age, sickness and invalidity, as well as survivors' benefits. The annuities depend upon the amount of premiums paid and the age of the insured, larger annuities may be purchased by voluntary contributions. In no case may the benefit for age or invalidity exceed 75 per cent of the last salary in case of employees of the institute or 5,000 pesetas ($965) in the case of employees of a regional fund. Benefits to widows and/or orphans shall not exceed 75 per cent of the benefit of the husband and/or father. Payment of old-age benefits will begin at 65 years, or if the employee continues his work beyond that age, then at the actual age of retirement.

Insurance for Students

Insurance also is offered to school pupils in order to provide for old-age pensions, endowments, and to provide for other features of mutual aid. Reports of the institute do not describe this system in detail and its success is understood to be of doubtful extent.

Insurance for Middle-Class Workers

The institute also encourages and offers to administer social insurance schemes for groups of middle-class employees in various professions and those in governmental departments. Several of these are understood to have been started with satisfactory success. Even certain army regiments have elected to accept the assistance of the institute in insuring the soldier members to augment the pensions anticipated from the Government.

SOURCES FOR SPAIN: Publications of the National Provident Institute (*Instituto Nacional de Previsión*)—Compilación de disposiciones legislativas, estatutarias y reglamentarias, Madrid, 1925; Appendices (I–XIII) a la Compilación de disposiciones legislativas, estatutarias y reglamentarias; Anales del Instituto Nacional de Previsión, Nos. 83–86, 1930; and Qué es el Instituto Nacional de Previsión.

Sweden

By John Ball Osborne, *American Consul General, Stockholm*

Compulsory Insurance

A system of compulsory insurance against old age and invalidity was established in Sweden by the law of June 30, 1913, which was amended in each successive year thereafter (with the exception of 1919) up to 1921.

Coverage of System

It provides for a contributory system of insurance for practically all Swedish citizens between the ages of 16 and 67 years.

Exclusions.—The following are exempt from the insurance: (1) Employees in the civil service, postal or telegraph service, State railways, or State water-power service, who are entitled to invalidity and old-age benefit under separate system of insurance; (2) persons in the military service, also covered by insurance; and (3) ecclesiastical officeholders and their wives.

Contributions

Every person subject to the insurance (except those permanently disabled for work) is required to make an annual contribution of 3 kronor (80 cents.[58]) In addition, every person whose yearly income amounts to 600 kronor ($160.80) or more must make a supplementary contribution varying according to his income class, as follows:

Table 84.—*Supplementary annual contributions required under Swedish old-age insurance system*

[Conversions into United States currency on basis of krona=26.8 cents]

Income class	Supplementary annual contribution: Swedish currency	Supplementary annual contribution: United States currency
	Kronor	
600 and under 800 kronor ($160.80 and under $214.40)	2	$0.54
800 and under 1,200 kronor ($214.40 and under $321.60)	5	1.34
1,200 and under 3,000 kronor ($321.60 and under $804)	10	2.68
3,000 and under 5,000 kronor ($804 and under $1,340)	15	4.02
5,000 and under 7,000 kronor ($1,340 and under $1,876)	20	5.36
7,000 and under 10,000 kronor ($1,876 and under $2,680)	25	6.70
10,000 kronor and over ($2,680 and over)	30	8.04

[58] Conversions into United States currency on basis of krona equals 26.8 cents.

The " income " on which the contribution is made is the " assessed income," i. e., the amount on which the person pays income and property tax.

No contribution is required for any year in which the insured was not registered (*mantalsskriven*) within the Kingdom.

The rates of contribution are subject to actuarial examination and revision every 10 years.

The commune of residence of the insured persons is liable to the National Insurance Fund for the amount of their contributions, but may proceed against any who default the payment of their contributions; but, even though the contribution is eventually paid, the defaulter forfeits the benefit which would have accrued if the payment had been made at the right time.

The State contributes toward the payment of certain supplementary benefits, paying three-fourths of their cost, while the cost of the remaining fourth is borne equally by the communes and county councils.

Benefits

The benefits payable under the system include (1) an old-age benefit commencing at age 67, and (2) an invalidity pension, payable at any age, for permanent disability for work.

The benefit consists of a basic amount varying with the amount of contributions paid. This basic annual benefit is fixed at a percentage of contributions paid, which varies according to the age at which insurance was taken out, as follows:

TABLE 85.—*Per cent annual basic benefit forms of contributions paid under Swedish old-age pension system, by sex and age group*

Age group	Per cent of contributions	
	Men	Women
16–19 years	70	56
20–24 years	60	48
25–29 years	50	40
30–34 years	40	32
35–44 years	30	24
45–54 years	20	16
55–66 years	15	12

Persons whose annual income falls below a certain amount—425 kronor ($113.90) in case of a man and 400 kronor ($107.20) in case of a woman—and who are permanently disabled, are entitled to a supplementary benefit from public funds. This supplement amounts to 225 kronor ($60.30) for a man and 210 kronor ($56.28) for a woman, minus six-tenths of the amount by which the annual income exceeds 50 kronor ($13.40).

Children's allowances are payable to persons permanently disabled, for children or foster children under 15 years of age for whose support the insured is responsible, provided the annual income of the insured is less than a certain amount, set at 425 kronor ($113.90) for a man, 400 kronor ($107.20) for a woman, and 825 kronor

($221.10) for a married couple, plus 170 kronor ($45.56) for each child. The allowance per child amounts to 102 kronor ($27.34), minus six-tenths of the amount by which the annual income exceeds the amounts just specified above.

The basic annuities are still small (in 1929 the average benefit paid was 160 kronor ($42.88)), since contributions have been paid only since 1914 and the benefit is based upon the amount of contributions paid in. Each year that passes increases the amount of the annuity. It is stated that "not until after the lapse of 50 or 60 years can contributory pensions be expected to rise to the full amount."

As already stated, the supplementary benefit and children's allowance are met from public funds, the State paying three-quarters and the communes and county councils concerned each paying one-eighth.

By a special law of 1918 the communes are authorized to supplement the annual benefits out of communal funds, when deemed necessary, but this right has been exercised to only a slight extent.

The basic benefit (or contributory annuity) is paid through the post office, at the particular branch chosen by the beneficiary. The children's allowances, however, are paid directly by the Royal Pensions Board.

Medical treatment.—Early in the life of the insurance system a scheme was inaugurated for the provision of medical assistance in order to relieve or prevent invalidity. When it appears that invalidity can be prevented, treatment is given either at private establishments or at sanatoriums maintained by the insurance system.

Administration

Every parish (*socken*) in rural areas, every town, and every market town (*köping*), which forms an independent commune, constitutes an insurance district. Two or more parishes or communes may constitute one district, or a very populous commune may be divided into two or more districts. In like manner, if it is found desirable on account of the circumstances, two or more communes may be united to form one district.

An insurance committee consisting of a chairman and an even number of persons, not exceeding six, must be established for each district. The members of the committee, together with one substitute for each member, are elected for four years at a time.

In 1930, 2,648 insurance committees had been set up in Sweden.

Each insurance district (or several districts jointly) is supervised by an officer appointed by the national body, the Royal Pensions Board, which administers the insurance system.

The principal business of the national board is to scrutinize the decisions of the local boards, to calculate the amount of benefit payable and to issue pension papers, to examine appeals from the decisions of the local boards and complaints regarding the assessment of contributions, to control the accounts of contributions from the assessment authorities and to book to personal accounts the contributions paid, to administer the old-age and invalidity insurance fund except in questions of investment, and to organize the medical treatment connected with the insurance, with the object of preventing or relieving invalidity.

Application for benefit is made to the local committee. If the application is for the contributory annuity only, it is not dealt with by the committee but is forwarded to the Royal Pensions Board. In cases where supplementary allowances are involved, the matter is passed upon by the local committee, but its decision may be appealed to the national board by the applicant, the commune, or the representative of the national board.

Statistics of Operation

During 1914, the first year of the operation of the old-age and invalidity insurance system in Sweden, 3,239,500 persons, or considerably more than one-half the entire population of Sweden, were insured. On January 1, 1929, this number reached 3,728,000. In 1914 the beneficiaries numbered 33,138, and on January 1, 1930, numbered 318,000.

In 1914 the total amount paid out in benefits was 1,875,457 kronor ($503,225). On January 1, 1930, there was paid out in benefits 56,700,000 kronor ($15,195,600). The average benefit amounted to 56.60 kronor ($15.17) in 1914 and to approximately 160 kronor ($42.88) in 1929.

The cost of administration in 1922 was 1,161,949 kronor ($311,402) as compared with 1,860,000 kronor ($498,480) in 1929.

The net assets of the old-age and invalidity insurance fund amounted on June 30, 1929, to 443,969,558.15 kronor ($118,983,841.58).

Supplementary Voluntary Insurance

The compulsory insurance is supplemented by a voluntary insurance system. Any person who is not disabled may, by making contributions at an increased rate, take out additional annuity insurance up to a certain maximum amount. This additional benefit becomes payable in the event of disablement (but in any case at an optional age between 62 and 70), or at the attainment of an age (from 55 to 70) chosen at the time of taking out the insurance. The policy may or may not provide for the return of contributions in the event of the death of the insured.

Pension Funds and Aid Societies

Mutual aid societies within the scope of personal insurance (pension funds and capital insurance societies included) are in Sweden subject to special legislation contained in the benefit societies act of June 29, 1912, as amended. They are under the supervision of the Swedish Social Board.

The number of registered pension societies on October 1, 1930, was 224, of which 63 were for civil servants, 106 for officers and employees in the service of private employers, and the remainder for other persons.

Membership in the pension funds for civil-service employees is generally compulsory. Although contributions are required of the insured, a large part of the cost of the benefits is paid by the State or municipalities. Membership in some of the societies for private enterprise (such as the railway societies) is also compulsory in some cases.

TABLE 86.—*Operations of mutual benefit societies in Sweden in 1929*

[Conversions into United States currency on basis of krona=26.8 cents]

Type of society	Membership, Oct. 1, 1930	Income, 1929		Expenditures, 1929		Number of beneficiaries	Assets	
		Swedish currency	United States currency	Swedish currency	United States currency		Swedish currency	United States currency
		Kronor		*Kronor*			*Kronor*	
Civil-service societies	6, 842	1, 493, 256	$400, 193	461, 043	$123, 560	1, 322	10, 408, 669	$2, 789, 523
Private-employment societies	52, 351	24, 389, 613	6, 536, 416	6, 399, 867	1, 715, 164	7, 965	220, 617, 156	59, 125, 398
Other societies		809, 907	217, 055	525, 019	140, 705	3, 364	11, 431, 186	3, 063, 558
Total	59, 193	26, 692, 776	7, 153, 664	7, 385, 929	1, 979, 429	12, 651	242, 457, 011	64, 978, 479

SOURCES FOR SWEDEN: Svensk Författningssamling, No. 120, 1913; No. 187, 1914; No. 176, 1915; No. 231, 1916; No. 388, 1917; No. 359, 1917; No. 449, 1918; Nos. 86, 433, and 764, 1920; and Nos. 146 and 639, 1921; Socialdepartementet, 1928, Års Pensionsförsäkringskommitté och organisationssakunniga Statistiska Undersökningar samt Kostnadsberäkningar; and Kungl. Pensionsstyrelsen, Almänna Pensionsförsäkringen, år 1928.

Switzerland[59]

By J. Tuck Sherman, *American Vice Consul, Berne*

Old-age insurance laws are in force at the present time in five Cantons of Switzerland. In two of these Cantons—Neuchatel and Vaud—the systems provide for voluntary insurance, while in Glarus, Appenzell a/Rh., and Bale-Ville the insurance is compulsory. A Federal bill has been introduced which, if enacted into law, will institute compulsory insurance covering old age and death for all citizens of Switzerland between the ages of 19 and 65 years.

Cantonal Systems

Canton of Neuchatel

In the Canton of Neuchatel a cantonal fund for people's insurance was established in 1898 to carry out the law of March 29, 1898. This law was amended on May 15, 1906, and again on November 19, 1929.

Coverage of system.—The law provides for voluntary old-age insurance for persons domiciled in the Canton, without restriction as to nationality. Natives domiciled outside of the Canton may insure if they so desire.

Contributions.—The amount of contributions is based upon the age of the insured at entry. No contributions are required after reaching the age of 80 years.

The State grant for death benefits ranges from 48 centimes (9 cents) per 100 francs ($19.30)[60] of capital insured at the age of 18 years to 19 centimes (4 cents) at the age of 39 years, and for old-age annuities from 2.76 francs (53 cents) per monthly benefit of 10 francs ($1.93) at the age of 18 years to 1.32 francs (25 cents) at the age of 39 years. The administrative expenses are paid by the State.

Benefits.—In addition to a lump sum payable at death the system provides for an old-age annuity payable at the age of 60 years, besides the pure dowry insurance and the mixed insurance for children; these last two classes of insurance did not come into effect until January 1, 1930. The death benefit may not be less than 100 francs ($19.30) nor more than 10,000 francs ($1,930), and the old-age annuity must not exceed 300 francs ($57.90) per month.

Administration.—The system is administered by local insurance committees.

Statistics of operation.—At the end of 1929 there were in force 3,007 life-insurance policies and 8,516 mixed-insurance policies (an-

[59] The Bale-Ville system was adopted subsequent to the preparation of Mr. Sherman's report, and the section on this canton was prepared in the Bureau of Labor Statistics.
[60] Conversions into United States currency on basis of Swiss franc equals 19.3 cents; centime equals 0.193 cent.

nuities). Of the annuities, current payments were being made on 848 policies, while those not yet paying annuities numbered 258.

In 1929 the following matured for payment: 236 death policies averaging 1,126 francs ($217.32), and 284 mixed-insurance policies averaging 1,524 francs ($294.13). The number of paid annuities amounted to 884, averaging 551 francs ($106.34) per year each.

The receipts of the cantonal insurance fund aggregated 1,894,963 francs ($365,728), and the expenditures (including the amount added to reserve) amounted to 1,744,791 francs ($336,745).

The administrative expenses totaled 110,598 francs ($21,345). Administrative expenses amounted to 87 centimes (17 cents) on every 100 francs ($19.30) of reserves and 9.22 francs ($1.78) on every 100 francs paid to the insured.

Canton of Vaud

In the Canton of Vaud a cantonal fund for people's insurance (a mutual fund under State guaranty) was established in 1907. The law of March 2, 1907, has been amended frequently, the last amendment being that of December 2, 1920.

Coverage of system.—The system covers every person domiciled in the Canton and also natives domiciled outside the Canton.

Contributions.—Contributions are paid into an alienated or reserve fund payable at any time, and are immediately converted into capital provision for benefit.

The State grant varies from 6 to 12 francs ($1.16 to $2.32) for every yearly benefit and is graduated according to the amount of the benefit. For a minimum benefit of 6 francs ($1.16) the State contributes 6 francs, and for those of 12 francs ($2.32) or more the State contributes 12 francs.

Benefits.—Old-age benefits vary with the amount of contributions and become payable between the ages of 50 and 65 years, in accordance with the arrangements at the time of entry. Invalidity benefits vary with age and the amount of contribution. No annuity may exceed 3,000 francs ($579) nor may the payments to any one person in the course of one year exceed 5,000 francs ($965).

Administration.—For the administration of the system, also comprising mutual old-age insurance syndicates, a cantonal fund was created.

Statistics of operation.—The number of insured in 1929 was 52,503. Those in receipt of the annuity numbered 297, and the average annuity was 206.54 francs ($39.86).

Payments and receipts balanced at 10,858,171 francs ($2,095,627).

Administrative expenses amounted to 38,598.75 francs ($7,450), or 36 centimes (7 cents) on every 100 francs of reserves and 69.31 francs ($13.38) for every 100 francs paid to the insured.

Canton of Glarus

The law of the Canton of Glarus, enacted on May 7, 1916, and amended on May 3, 1925, provides for the compulsory insurance of all persons between the ages of 17 and 50 years.

Contributions.—The insured contribute 6 francs ($1.16) a year each, the Canton 85,000 francs ($16,405) a year, and the local governments 1 franc (19.3 cents) per inhabitant.

Benefits.—Old-age benefits are payable at the age of 65 years, after contributions amounting to 400 francs ($77.20), and range from 180 to 300 francs ($34.74 to $57.90) a year. Invalidity benefits range from 150 to 300 francs ($28.95 to $57.90) a year.

Administration.—The system is administered by the cantonal people's insurance fund and local insurance committees.

Statistics of operation.—In 1929 the number of voluntary insurance policies amounted to 31, and that of compulsory insurance policies to 19,024.

Annuities were being paid in 209 cases, averaging 162.23 francs ($31.31) per annuity.

The assets of the cantonal insurance fund amounted to 6,742,868.31 francs ($1,301,374).

No data are available concerning the administrative expenses, inasmuch as these are assumed by the Canton and are not included in the accounts of the cantonal insurance fund.

Canton of Appenzell a/Rh.

In the Canton of Appenzell (Ext.) the law of April 26, 1925, which went into effect in 1926, introduced compulsory insurance against invalidity and old age for all persons between the ages of 18 and 64 years.

Contributions.—Contributions by the insured amount to 10 francs ($1.93) per annum, by the Canton 1.50 francs (29 cents) per inhabitant, and by the local government, 50 centimes (10 cents) per inhabitant.

Benefits.—Benefits become payable at age 65 and range from 200 to 400 francs ($38.60 to $77.20) for men and from 150 to 300 francs ($28.95 to $57.90) for women.

Administration.—The administration of the system is carried out by the cantonal people's insurance fund and local insurance committees.

Statistics of operation.—In September, 1928, there were 4,895 members who were insured free of premiums and 33,709 members compulsorily insured—a total of 38,604 persons.

Up to the present time, no annuities have been paid.

The assets of the insurance fund at the end of the financial period 1928-29 amounted to 5,344,423.96 francs ($1,031,474). Administrative expenses amounted to 4,757.96 francs ($918.29), or 0.09 franc (2 cents) for every 100 francs of assets.

Canton of Bale-Ville

A compulsory insurance system was established in the Canton of Bale-Ville by a law passed by the Grand Council, December 4, 1930. All persons between the ages of 20 and 50 who have been residents of the Canton for two years are subject to the law.

Contributions.—Contributions are paid either to the public fund created for this purpose or other cantonal funds or to a recognized private fund. The Canton pays a part of the contribution varying according to the salary group of the insured person, on incomes not exceeding 3,300 francs ($636.90) for men and 2,600 francs ($501.80) for women. A deduction of 1,200 francs ($231.60) from the total income is allowed for married persons and of 500 francs ($96.50) for each minor child. The State subsidy for married persons with two children, for example, ranges from 100 per cent, for persons with an income of 4,300 francs ($829.90) or less, to 25 per cent for incomes of 5,101 to 5,500 francs ($984.49 to $1,061.50). The annual contributions of the insured range from 60 to 112 francs ($11.58 to $21.62) for men and 50.40 to 93.60 francs ($9.73 to $18.06) for women.

Benefits.—Annuities are granted to men at the age of 65 and to women at the age of 60. The amount of the benefit varies according to the number of years during which payments have been made, ranging for men from 180 to 720 francs ($34.74 to $138.96) and for women from 150 to 600 francs ($28.95 to $115.80). Married women are not required to pay a premium but if not widows they are entitled to a pension equal to half that paid women in the same category. Women becoming widows after the age of 60 are entitled to a pension. Orphans' allowances are paid up to the age of 18 and range from 300 francs ($57.90) for one child to 1,000 francs ($193) for five or more children. A woman, upon the death of her husband, is entitled to a lump-sum payment of 500 francs ($96.50) unless she is already receiving a pension.

Administration.—The insurance system is administered by a special office in the department of the interior of the Canton and by a committee representing the different interests concerned. The law will become fully effective at the latest on January 1, 1932. It is expected that the payments by the Canton will at first amount to about 3,000,000 francs ($579,000) per year, and that the system will reach a position of stability in 1975, when it will cost approximately 2,000,000 francs ($386,000).

Proposed Federal Compulsory Insurance System

On the basis of a popular vote in the Swiss Confederation on December 6, 1925, in favor of compulsory insurance against old age and death for all persons in Switzerland, the Department of Public Economy in August, 1928, prepared and published a report, accompanied by the text of a bill for the establishment of a general system of compulsory insurance against old age and death. The bill, having been approved by the Federal Council,[61] was introduced in Parliament on August 29, 1929. It was passed by the Federal Assembly June 17, 1931.

The old-age insurance is to be compulsory for all Swiss citizens residing in the territory of the Confederation, from the age of 19 to 65 years. The probable number of insured persons is around 2,500,000.

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[61] An executive body, corresponding roughly to the Cabinet in the United States and consisting of seven members, each member being head of an executive department.

Contributions

The funds necessary for the operation of the insurance system are to be raised by contributions of the insured and their employers and by grants from the Confederation and the Cantons.

The annual contribution of an insured citizen is fixed at 18 francs ($3.47) for men and 12 francs ($2.32) for women. If necessary, the Federal Government may increase the rate of contributions by not exceeding 25 per cent. Employers will make an annual contribution of 15 francs ($2.90) for each person in their employ.

The Federal Government will make the Cantons an annual grant equal to 80 per cent of the total benefits paid by the cantonal funds during the course of a year. The Cantons will make a grant equal to one-fourth of the Federal grant. The cantonal funds will be required to use the grants from the Federal and cantonal governments to increase their rates of benefits.

Benefits

The bill provides for: (1) Basic benefits derived from the contributions of insured persons and employers and the interest on the reserve funds of the various cantonal funds; and (2) supplementary benefits derived from the Federal and cantonal grants.

The basic benefits include:

1. An old-age benefit of 200 francs ($38.60) a year, payable from the beginning of the calendar year in which the insured person reaches 66 years of age.
2. An annual benefit of 150 francs ($28.95) for a widow, if at the time of her husband's death the widow has reached the age of 50 years, payable until the time she is entitled to the old-age benefit.
3. A lump-sum payment of 500 francs ($96.50) to a widow, if at the time of her husband's death she has not reached the age of 40 years; a lump-sum payment of 500 francs ($96.50) for women widowed between the age of 40 and 50 years, plus 50 francs ($9.65) for every year of widowhood.
4. An orphan's benefit of 50 francs ($9.65) a year, payable to each child until the age of 18 years has been reached.
5. An orphan's benefit of 50 francs ($9.65) a year, payable to each child of a divorced or unmarried woman, or a woman who has become a widow before this law came into effect, should the mother die after this law came into effect, until the age of 18 years has been reached.

Basic benefits will be granted to all insured citizens and their families, but supplementary benefits derived from Federal or cantonal grants will be graduated according to the income and means of the beneficiaries. Supplementary benefits will not be payable to persons who can live comfortably on their private means or with the help of a retirement benefit. In no case may such benefits exceed 150 per cent of the total basic benefits.

According to the introductory memorandum accompanying the bill, an equal distribution of the Federal and cantonal grants among all insured citizens would enable the basic benefits to be doubled. Since persons of adequate private means have no right to supplementary benefits, it is considered that it will be possible to increase the old-age benefit to 500 francs ($96.50); that of a married couple to 1,000 francs ($193); the widow's benefit to 225 francs ($43.43); and the benefit to a child, whose father and mother have died, to 125 francs ($24.13) per annum.

During the first 15 years of the system, or the so-called period of transition, only 50 per cent of the basic and supplementary benefits will be paid. Citizens able to live comfortably on their own means, or with the help of a retirement benefit, will have no right to insurance benefits.

These two measures will enable the cantonal funds to build up considerable funds for the time when such funds will have to meet the full annuities due to all insured.

The beneficiaries of the half basic benefits and the supplementary benefits will be granted, during the period of transition, a so-called "special assistance," but only when the proceeds of the duty on tobacco and the Federal tax on spirits permit. As in the case of supplementary benefits, the Cantons are to contribute to the extent of 20 per cent to this special assistance. In no case may this special assistance exceed three-fourths of the supplementary benefits, i. e., 75 francs ($14.48), during the transition period. The total payment during this period, therefore, amounts to 100+100+75=275 francs ($53.08) for old-age insurance.

The Federal Government will set up an old-age and survivors' insurance fund. The proceeds of the tax on tobacco and the Federal Government's share of the net receipts from the tax on spirits will be paid into the fund. These funds at the end of 1929 amounted to 95,122,000 francs ($18,358,546).

Each year the cantonal funds will mutually equalize any surplus or deficit which may result from the differences in classes of citizens insured in the various Cantons.

Foreigners domiciled in Switzerland uninterruptedly for one year will be required to contribute to the insurance system if they took up their domicile in Switzerland before the end of the calendar year in which they reached 55 years of age. Foreigners will be entitled only to basic benefits and then only if they have become resident in Switzerland before the end of the calendar year in which they reached 55 years of age, and if they have been domiciled in Switzerland at least 10 years before the date upon which they would be entitled to the benefits.

By international agreement, and subject to reciprocity, the right of foreigners to contribute to the insurance fund and to receive both basic and supplementary benefits granted by the insurance fund may be arranged in a manner other than provided in the law.

Supplementary Cantonal Insurance

The Cantons are empowered to set up and contribute to other old-age and survivors' insurance funds and may elect that the insurance become a general compulsory one or be constituted only for certain classes of the population. The Cantons are empowered to leave this decision in part, or wholly, to the municipality. However, the following regulations must be adhered to:

(a) The insured are obliged to contribute to the fund.

(b) The contributions from public funds may in no case exceed one-half of the total amount of the insurance.

(c) No contributions may be imposed upon employers.

(d) The insurance premiums from public funds taken together and calculated upon a single insured person may not exceed the average amount required by the Federal insurance fund, per insured, at the expiration of the transition period.

(e) The foregoing institutions must offer the necessary security to enable them to effect the required payments.

(f) The free transfer between various organizations must be facilitated as much as possible, especially by an equalization of the benefits granted.

Status of Proposed Federal System

As noted, the proposed Federal compulsory insurance system is in the form of a bill which was accepted by the Federal Assembly on June 17, 1931.

The bill, however, can become law only if within a period of three months after acceptance by Parliament a referendum has not been resorted to. Considerable opposition to the measure developed while it was under discussion, on the ground of expense. It has, therefore, been submitted to referendum, with an amendment authorizing the Cantons and communes to provide immediate relief for aged citizens. It is understood that the sections of the population which are opposed to the measure will vote against it and support the amendment.

Sources for Switzerland: Neuchâtel, Loi sur la Caisse cantonale d'assurance populaire du 15 mai 1906; Neuchâtel, Loi portant revision des diverses dispositions de la loi sur la Caisse nationale populaire du 19 novembre 1929; Neuchâtel, Caisse Cantonale d'Assurance populaire, Trente et unième rapport, exercice 1929; Vaud, Caisse Cantonale des Retraites populaires, Prospectus, 1929; Vaud, Caisse Cantonale des Retraites populaires, Vingt-deuxième rapport annuel, exercice 1929; Glarus, Gesetz über die Staatliche Alters- und Invaliden-versicherung, 7 Mai 1916; Glarus, Vollziehungsverordnung zum Gesetz über die Staatliche Alters- und Invaliden-Versicherung, 20 Juni 1917; Glarus, Staatliche Alters-Invaliden- und Krankenversicherung, Aus dem Amtsbericht 1929–30; Appenzell A/Rh., Gesetz betreffend die Staatliche Alters-Versicherung, 26 April 1925; Appenzell A/Rh., Vollziehungsverordnung zum Gesetz betr. die Staatliche Altersversicherung vom 26 April 1925; Appenzell A/Rh., Staatliche Altersversicherung, Bericht pro 1928/29; Message du Conseil fédéral à l'Assemblée fédéral relatif à un projet de loi sur l'assurance-vieillesse et l'assurance-survivants du 29 août 1929; Loi fédérale sur l'assurance-vieillesse et l'assurance-survivants (Projet du Conseil fédéral du 29 août 1929); Rapport du Conseil fédéral à la Commission du Conseil des Etats chargée d'étudier le projet d'assurance-vieillesse et survivants (du 14 octobre 1930); and Revue du Travail, Belgium, January, 1931, pp. 242–245.

Uruguay

By Leslie E. Reed, *American Consul General, Montevideo*

There are at the present time in Uruguay five different systems of old-age pensions and insurance. One is a general pension system covering all persons. The other four are contributory insurance systems covering special classes of workers. The consolidation of these systems into one unified plan has been under consideration for some time, and a project for such consolidation has been prepared for presentation to the Chamber of Deputies of the Uruguayan Congress. It was expected that this project would be considered during the early part of 1931. There seems, however, to be no immediate prospect of any radical change in the pension systems of this country, and the various existing systems are, therefore described herewith.

General Insurance System

Coverage of System

The law of February 11, 1919 (as amended September 1, 1919, and August 13, 1925), provides a system of old-age pensions for any person who has reached the age of 60 years, or who is entirely incapacitated and in dire poverty.

Foreigners and naturalized citizens are entitled to an old-age or invalidity pension not to exceed the minimum pension granted to native citizens, provided such foreigners and naturalized citizens have resided in Uruguay at least 15 consecutive years; however, foreigners who arrived in Uruguay, incapacitated for work, after the promulgation of the law in 1919, are not entitled to pensions.

Persons who, through accidental circumstances, are not entitled to pensions, may apply to the Asistencia Publica, which maintains an old people's home, in addition to its hospital.

Contributions

The employees make no contributions.

A compulsory contribution of 20 centesimos (20.7 cents) per month is paid by every employer for each wage earner in his employ.

The contributions by employers are collected by means of stamps, each of the value of one month's payment. The Government provides each employer with a book for entering the stamps required by the law, the cost of the stamp book being charged to the employee to whom it is issued. The proceeds from the stamps are deposited monthly in the State Insurance Bank, which maintains a special fund out of which the payment of pensions is made.

The pension fund may accept legacies and donations. Additional revenues for the pension fund are provided by special taxes, such as a surtax on real estate above a specified value, and taxes on playing cards, wines, liquors, alcohol, etc.

The laws of February 11, 1919, and September 1, 1919, have been modified by another of August 13, 1925. This legislation is principally concerned with the taxation for maintaining the pension fund, which it has been found necessary to increase considerably. The principal additional sources of income provided by this law are: Taxes on farm lands, a rent tax on tenants of houses in the city of Montevideo, internal-revenue taxes on alcohol, for both industrial and beverage purposes (with certain exceptions); an increase in the tax on the value of landed property established by the original law; and another 5 per cent added to the import duties on automobiles.

Benefits

The benefits provided consist of a minimum pension of 96 pesos ($99.28) [62] or its equivalent in some other form of material assistance. Certain classes of persons may receive up to 120 pesos ($124.10) per annum.

Administration

Under the regulatory decree of February 26, 1919, the State Insurance Bank is empowered to adopt all measures it may deem necessary for better compliance with the provisions of the old-age pension law. The General Board of Direct Taxes is charged with preparing, distributing, and selling the stamps for the pension fund to employers, and the inspectors of the National Labor Office are charged with supervision of enforcement of the law as regards employers.

Statistics of Operation

From the creation of this fund in 1919 to December 31, 1930, 51,980 persons received annuities from the fund.

The number of persons who were receiving pensions from this fund on December 31, 1930, is reported by the Office of Administration as 33,828. The office has not yet published its annual report, but states that about three-fourths of these persons were Uruguayans who were receiving allowances of 10 pesos ($10.34) per month, or 120 pesos ($124.10) per annum. The other one-fourth (about 8,500) were persons of foreign birth, who had complied with the requirements of the law by living 15 years or longer in Uruguay; these persons were receiving only the minimum pension of 8 pesos ($8.27) per month or 96 pesos ($99.28) per annum.

The receipts from taxes and duties during the year 1930 are reported by the office of the fund as 3,248,181.81 pesos ($3,359,270). The total amount paid for pensions during that year (1930) was 3,388,059.20 pesos ($3,503,931).

The cost of administration of the fund during the year 1930 amounted to 351,245.16 pesos ($363,258).

Public-Service Employees' and Wage Earners' Insurance System

Coverage of System

The law of October 6, 1919, created a retirement and pension fund for public-service employees and wage earners covering employees and workers in railroad, telegraph, street railway, telephone, water and gas distributing enterprises.

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[62] Conversions into United States currency on basis of peso equals $1.0342.

Contributions

Contributions to the fund are as follows: The employers pay 8 per cent of the total amount of salaries and wages paid to the personnel. The employees and wage earners pay 4 per cent of their total pay, and, if permanently promoted, the increase in pay the first month, provided the pay is more than 50 pesos ($51.71) per month.

Other sources of funds consist of a special tax of from 1 to 3 per cent levied on the services rendered by the public-service enterprises, to be borne by the users of said services, and only in cases where a tax is feasible; donations and legacies; fines; income from the sale of articles left on railroads and street cars; unclaimed overpayments; and interest on the accumulated funds.

The State obligates itself to meet any deficit incurred under the system.

Benefits

Full benefits are acquired after 30 years' service. After 10 years' service, however, the employee may retire and receive a reduced benefit, if he is discharged, incapacitated for work, or has reached the age of 50 years. Any one of these circumstances entitles an insured person to a pension amounting to one-thirtieth of the full benefit for each year of service rendered. If disabled in the line of duty the insured is entitled to retirement without consideration of the length of service.

The average monthly earnings during the last five years of service are used as the basis for calculation of the benefit, which is graduated according to the following schedule:

TABLE 87.—*Monthly benefit payable under public-service employees' old-age insurance system in Uruguay*

[Conversions into United States currency on basis of peso=$1.0342]

Salary or wage class (per month)	Monthly benefit: Basic amount: Uruguayan currency	Monthly benefit: Basic amount: United States currency	Monthly benefit: Addition for each peso of wages or salary over minimum of class: Uruguayan currency	Monthly benefit: Addition for each peso of wages or salary over minimum of class: United States currency
	Pesos		*Pesos*	
50 pesos ($51.71) or under	(1)			
Over 50-60 pesos (over $51.71-$62.05)	50.00	$51.71	0.95	$0.98
Over 60-80 pesos (over $62.05-$82.74)	59.50	61.53	.90	.93
Over 80-100 pesos (over $82.74-$103.42)	77.50	80.15	.85	.88
Over 100-125 pesos (over $103.42-$129.28)	94.50	97.73	.80	.83
Over 125-150 pesos (over $129.28-$155.13)	114.50	118.42	.75	.78
Over 150-175 pesos (over $155.13-$180.99)	133.25	137.81	.70	.72
Over 175-200 pesos (over $180.99-$206.84)	150.75	155.91	.65	.67
Over 200-225 pesos (over $206.84-$232.70)	167.00	172.71	.60	.62
Over 225-250 pesos (over $232.70-$258.55)	182.00	188.22	.55	.57
Over 250-275 pesos (over $258.55-$281.41)	195.75	202.44	.50	.52
Over 275-300 pesos (over $281.41-$310.26)	208.25	215.37	.45	.47
Over 300-325 pesos (over $310.26-$336.12)	219.50	227.01	.40	.41
Over 325-350 pesos (over $336.12-$361.97)	229.50	237.35	.35	.36
Over 350-375 pesos (over $361.97-$387.83)	238.25	246.40	.30	.31
Over 375-400 pesos (over $387.83-$413.68)	245.75	254.15	.25	.26
Over 400-425 pesos (over $413.68-$439.54)	252.00	260.62	.20	.21
Over 425-450 pesos (over $439.54-$465.39)	257.00	265.79	.15	.16
Over 450 pesos ($465.39)	260.75	269.67	.10	.10

[1] Full wages.

In case of the death of the insured, one-half of his benefit or of the benefit to which he would be entitled at death reverts, in the order named, to the widow (or disabled widower), the children, or (if there are no children) the dependent parents, or (if there are no parents living) the dependent unmarried sisters of the deceased. The widow or widower's right to survivors' benefit is lost by remarriage, that of the sons upon reaching the age of 18 years (unless disabled), and that of the daughters upon marriage or upon reaching the age of 25 years.

Administration

The retirement fund is administered by an honorary board of directors consisting of 9 members—3 representing employers, 3 representing employees and wage earners, and 3 appointed by the Government.

Statistics of Operation

The number of persons in this pension fund is estimated by the Office of Administration as 51,500 on December 31, 1930. On the same date 2,746 persons were receiving annuities and 688 were receiving the survivors' benefit. The number of persons receiving classified amounts of benefit is shown in the table following.

TABLE 88.—*Number of beneficiaries receiving classified monthly amounts of benefit under public-service insurance system in Uruguay*

[Conversions into United States currency on basis of peso=$1.0342]

Classified amount of benefit per month	Persons receiving—	
	Annuities	Survivors' benefits
1.00-20.00 pesos ($1.03-$20.68)	471	436
20.01-30.00 pesos ($20.69-$31.03)	625	112
30.01-40.00 pesos ($31.04-$41.37)	467	51
40.01-50.00 pesos ($41.38-$51.71)	287	22
50.01-100.00 pesos ($51.72-$103.42)	647	58
100.01-150.00 pesos ($103.43-$155.13)	182	9
150.01-200.00 pesos ($155.14-$206.84)	41	
200.00 pesos and over ($206.84 and over)	26	
Total	2,746	688

The receipts and expenditures of this fund for the year 1929 were as follows:

TABLE 89.—*Receipts and expenditures of public-service old-age insurance system of Uruguay, 1929*

[Conversions into United States currency on basis of peso=$1.0342]

Item	Amount		Item	Amount	
	Uruguayan currency	United States currency		Uruguayan currency	United States currency
	Pesos			*Pesos*	
Receipts:			Expenditures:		
Interest	438, 299. 89	$453, 290	Annuities	1, 578, 114. 67	$1, 632, 086
Contributions	1, 555, 984. 08	1, 609, 199	Survivors' benefits	193, 864. 73	200, 495
Other	212, 613. 89	219, 885	Cost of administration	111, 066. 04	114, 864
			Other	18, 374. 74	19, 003
Total	2, 206, 897. 86	2, 282, 374	Total	1, 901, 420. 18	1, 966, 448

Bank Employees' Insurance System

Coverage of System

The law of May 14, 1925, established a special retirement and benefit fund for employees of banking institutions and the stock exchange.

Employees already covered by the State pension fund, and who, after May 14, 1925, entered the employ of any of the official banks, or who in the future enter the employ of these institutions, have the choice of continuing under the State system, or of joining the Bank Employees' Benefit Fund, provided they give notice within six months after the date of their appointment.

Contributions

The benefit fund is obtained from the following main sources: (1) A contribution from the banks and stock exchange, amounting to 12 per cent of the salaries of the employees who join the fund; (2) a contribution from the employees, amounting to 5 per cent of their salaries, also the difference in salary for the first month in which an employee receives an increase of salary for whatever reason; (3) back payment of 6 per cent of the amount of salaries received by the employees during the years with which the employee is credited and of 12 per cent when the payments have to be deducted from his benefit; and (4) a yearly tax of 0.05 of 1 per cent on the amount loaned by each bank on mortgages, promissory notes, and overdrafts in accounts current. Other sources of funds are interest on accumulated funds. donations and legacies, and fines collected for violations of the retirement law.

Benefits

The law provides for a regular retirement annuity, disability benefit, and benefit for loss of employment (not due to the immorality of the insured).

Regular retirement annuity.—The right to full retirement benefits is acquired at 60 years after 30 years' service, but for each year of service in excess of 30 one year is deducted from the age limit. Retirement with reduced benefit is allowed after 10 years' service.

The full retirement annuity is based upon the average annual salary during the last five years' service, up to 960 pesos ($992.83); if the average exceeds that amount it is reduced 15 per cent, and the benefit is based upon the resulting amount. No benefit granted under the scheme may exceed 400 pesos ($413.68) per month.

Survivors' benefits.—If an employee dies after 10 years' service, his dependents are entitled to a benefit consisting of 50 per cent of the benefit to which he would have been entitled at the time of his death, plus 10 per cent for each minor child, but not to exceed the full amount of his annuity; in addition, the dependents are paid a bonus amounting to six months' salary of the deceased at the time of his death. In case of the death of an employee with less than 10 years' service, his surviving family is paid, in a lump sum, as many months' salary as the deceased had years of service.

Survivors' benefits are granted in the following order: (a) The widow concurrently with the children;[63] (*b*) the children only; (*c*) the widow concurrently with the parents, provided the latter were dependent upon the deceased for support; (*d*) the parents alone, when they have been left without means of support; and (*e*) the unmarried sisters of the deceased, who are left without means of support.

Children legitimized by judicial decision are entitled to that portion of benefit which is due them under the provisions of the civil law.

Right to a benefit is forfeited by the widow or mother upon remarriage, by male children upon reaching the age of 18 years, by daughters or sisters upon marriage, by those who settle in a foreign country, and by those dismissed because of immorality.

Benefit in case of loss of employment.—In case of loss of employment, the institution dismissing the insured must turn over to the benefit fund an amount equal to one month's salary for every year spent in its employ. When the employee has served less than 10 years this amount is paid to him in monthly installments of not less than the salary, provided he does not take another position entitling him to a benefit. When the dismissed employee has had more than 10 years' service, the amount is held by the benefit fund, which shall immediately grant the corresponding benefit. The maximum paid on this account is the equivalent of 15 months' salary.

In cases of the closing of a bank, or suspension of payment, or bankruptcy, the fund is a privileged creditor.

Should an employee with more than 10 years' service be dismissed because of his immorality (the only cause for the loss of his benefit), his wife and children are entitled to the benefit as long as they are without other resources. Should the employee die or become disabled, they shall be granted the yearly benefits.

Administration

The fund is administered by an honorary council sitting in the capital of the Republic. It is composed of 5 members—2 representing the directors of the banks, 2 the employees, and 1, the president, appointed as its representative by the National Council of Administration. Their term of office is two years.

Statistics of Operation

This system covered, at the end of 1929, 1,787 persons whose total monthly earnings amounted to 183,895.49 pesos ($190,184.72) or an average of 102.90 pesos ($106.42).

At the end of the year 1929 there were 71 persons receiving an average benefit of 176.02 pesos ($182.04) per person. There were also 33 persons receiving survivors' benefits, averaging 53.50 pesos ($55.33) per person.

[63] The benefits are also extended to the widow and minor children of any employees who have died since the date of the proposal of this law, but the corresponding contributions must be made to date.

Limited Liability Company Employees' Insurance System

Coverage of System

This system was created by the law of August 16, 1928, which provided that there should be included in the provisions of the system for employees and laborers of the public services those employees and laborers of Sociedades Anonimas (which correspond roughly to corporations in the United States) and similar establishments which were registered before October 9, 1925. Certain firms of various types, however, are excluded from participation in this system, irrespective of the organization of their capital.

Contributions

It is provided that the employers must contribute 9 per cent of the salaries and wages, and the employee 5 per cent. The Rural Federation and Rural Association, however, contribute 15 per cent instead of 9 per cent.

Increases of salary for the first month are also paid into the fund; and three-tenths of 1 per cent on all gross sales or professional incomes is also contributed by the firms. Other sources of funds are interest on accumulated funds, donations, legacies, and fines.

This system did not go into operation until 1931, but persons desiring to contribute for the three previous years, dating from the passage of the law (August 16, 1928), were allowed to do so by contributing 6 per cent on the salaries received during those years (12 per cent if the employee is retired before paying for all of the back years). This contribution of 6 per cent on the back years' salaries has since been reduced to the rate of 3 per cent, which is paid until the total of 6 per cent has been contributed.

Benefits

The right to benefits under this system is acquired after 10 years of service, whether or not continuous. Service in any of the undertakings included is taken into consideration, as well as service in Government offices covered by the law of civil pensions. Full benefits are acquired after 30 years of service, or after 10 years of service by persons discharged by the companies or declared physically or mentally incapable of continuing their work or reaching 50 years of age, whether or not in the active service of the companies in question.

Annuities are fixed in accordance with the scale for public-service employees (see p. 351), and calculated on the basis of the average pay received during the last five years of service.

Administration

The administration of the fund is in the charge of an honorary board of 9 directors—3 representing the companies, 3 the employees and workmen, and 3 being deputies of the Government.

Statistics of Operation

This system was estimated to cover about 157,900 persons, as of December 31, 1930. On that date 215 persons were receiving old-age annuities and 51 were receiving survivors' benefits. The classified amounts of benefit are shown in the following table:

TABLE 90.—*Number of persons receiving classified amounts of benefit under limited-liability-company insurance system in Uruguay*

[Conversions into United States currency on basis of peso=$1.0342]

Classified amount of benefit per month	Number receiving—	
	Old-age annuities	Survivors' benefits
1.00-20.00 pesos ($1.03-$20.68)	13	12
20.01-30.00 pesos ($20.69-$31.03)	24	9
30.01-40.00 pesos ($31.04-$41.37)	25	9
40.01-50.00 pesos ($41.38-$51.71)	20	12
50.01-100.00 pesos ($51.72-$103.42)	101	8
100.01-150.00 pesos ($103.43-$155.13)	15	1
150.01-200.00 pesos ($155.14-$206.84)	9	
Over 200.00 pesos ($206.84)	8	
Total	215	51

The receipts and expenditures of the fund during the year 1929 were as follows, according to the annual report for that year:

TABLE 91.—*Receipts and expenditures under limited-liability-company old-age insurance in Uruguay, 1929*

[Conversions into United States currency on basis of peso=$1.0342]

Item	Amount		Item	Amount	
	Uruguayan currency	United States currency		Uruguayan currency	United States currency
Receipts:	*Pesos*		Expenditures:	*Pesos*	
Contributions	3, 691, 388. 97	$3, 817, 634	Annuities	237, 276. 52	$245, 391
Interest	158, 193. 98	163, 604	Survivors' benefits	31, 043. 42	32, 105
Other	74, 105. 94	76, 640	Cost of administration	206, 433. 17	213, 493
			Other	2, 346. 29	2, 427
Total	3, 923, 688. 89	4, 057, 879	Total	477, 099. 40	493, 416

Journalists and Printers' Insurance System

Coverage of System

A law of October 18, 1928, included newspaper writers and printers in the retirement system for public-service employees. The law provides that the following classes of persons shall receive these benefits: All employees and laborers who work or have worked in the offices or in the management, editorial offices, or workshops, of newspaper enterprises in general and in private printing establishments, the employees of the Press Association (*Circulo de la Prensa*) and of the Printing Association of Uruguay (*Associación Gráfica del Uruguay*), as well as the correspondents of the newspapers, both foreign and domestic. The proprietors of the enterprises and shops mentioned may also obtain the benefits of this law.

Contributions

Employers contribute 6 per cent monthly on the salaries or wages of their employees, while the employees pay 5 per cent of their salaries and also the first month's increases in salary received.

There is also a tax on papers or magazines printed in other countries, except those of a purely scientific character. This tax ranges from 1 centesimo to 3 centesimos per copy, depending upon the selling price of the paper or magazine.

Benefits

The benefits provided by this law do not become effective until four years from its promulgation (i. e., in October, 1932), except in cases of total disability caused by the emanations of oxide of lead and cases of death since the promulgation of the law. In the above exceptions the benefits may be obtained six months after promulgation of the law.

The benefits are the same as described under the system for employees and laborers of public services. (See p. 351.)

Administration

This fund is administered by a commission consisting of 3 delegates designated by the Printing Association of Uruguay and the printing section of the Industrial Union of Uruguay, 3 delegates designated by the Press Association and Association of Printers, and 3 delegates designated by the National Council of Administration. The functions of this commission continue till the directors of the office handling the pensions for public-service employees arrange for elections.

Statistics of Operation

It is estimated that on December 31, 1930, this fund covered 4,100 persons.

Persons receiving old-age or disability annuities numbered 11 and those drawing survivors' benefits 3. Of the annuitants, 1 was in the class receiving from 1.00 to 20.00 pesos ($1.03–$20.68) per month, 1 in the class from 30.01 to 40.00 pesos ($31.04–$41.37), 7 in the class from 50.01 to 100.00 pesos ($51.72–$103.42), 1 in the class from 100.01 to 150.00 pesos ($103.43–$155.13), and 1 in the class 200.00 pesos ($206.84) and over. Of those drawing survivors' benefits, 1 was receiving from 20.01 to 30.00 pesos ($20.69–$31.03) per month, and 2 from 30.01 to 40.00 pesos ($31.04–$41.37).

The following table shows the receipts and expenditures of the fund during 1929:

TABLE 92.—*Receipts and expenditures under old-age insurance for journalists and printers in Uruguay, 1929*

[Conversions into United States currency on basis of peso=$1.0342]

Item	Amount		Item	Amount	
	Uruguayan currency	United States currency		Uruguayan currency	United States currency
Receipts:	*Pesos*		Expenditures:	*Pesos*	
Contributions	242, 632. 70	$250, 931	Annuities	4, 554. 52	$4, 710
Interest	9, 295. 64	9, 614	Survivors' benefits	978. 16	1, 012
Other	5, 944. 69	6, 148	Cost of administration	10, 293. 19	10, 645
			Other	57. 12	59
Total	257, 873. 03	266, 692	Total	15, 882. 99	16, 426

Yugoslavia

In those parts of the present Kingdom of Serbs, Croats, and Slovenes inherited from Austria-Hungary certain social insurance laws were in effect at the time of the constitution of Yugoslavia and these remained in force until early in 1922, when a new national compulsory social insurance law for wage earners was passed. The new act, approved May 14, 1922, provided for insurance against sickness, old age and invalidity, and accidents. At the same time the salaried employees' old-age insurance which had been in force since before the war in Slovenia and Dalmatia was included in the new decree as a form of voluntary insurance which might be adopted in other parts of the kingdom.

The insurance against sickness and accident was put into effect immediately and the system began operations July 1, 1922, but that relating to old age and invalidity, which was to have gone into effect July 1, 1925, was delayed until conditions in the Kingdom became more favorable. As these favorable conditions have not yet materialized, this form of insurance has never been put into operation.

Below are given some of the features of that part of the social insurance law relating to old age and invalidity.

Wage Earners' Insurance System

Coverage of System

The law provided for compulsory insurance of all wage earners, regardless of sex or age, residing in Yugoslavia, carrying on work under a labor contract, and earning not more than 48 dinars ($9.26)[64] a day. This coverage includes also apprentices, "volunteers," and workers engaged in domestic service and allied occupations (except casual workers).

The following were exempt from the provisions of the law: (1) Agricultural workers, inmates of prisons, and casual employees in domestic service, for which classes special regulations were to be issued by the Minister of Social Affairs; (2) employees of the State railways, and miners, for whom there are special systems of insurance; (3) Government officials and employees, as well as employees of political subdivisions, provided the employers maintain systems paying benefits at least as liberal as those under the social insurance law; and (4) persons over 70 years of age, invalids, and persons otherwise insured.

Contributions

The plan provided for contributions of 3 per cent of the wages of the insured, half being paid by the worker and half by the em-

[64] Conversions into United States currency on basis of dinar equals 19.3 cents.

ployer. For contribution purposes the workers were divided into 12 wage classes, ranging from 2 to 48 dinars ($0.38 to $9.26) per day.

Benefits

Old-age benefits were to become payable at age 70.

Both the old-age and invalidity benefits were computed on the following basis: The annual benefit was to be eight times the amount of the average yearly contributions, if the insured had contributed for a period of from 200 to 500 weeks; and twelve times the average yearly contributions, if the insured had contributed for 500 weeks or more.

Benefits were also to be provided for the widows and orphans of deceased workers insured under the law.

Administration

The system was to be under the Ministry of Social Policy, which also administers the health and accident insurance through the National Health Insurance Office.

SOURCE FOR YUGOSLAVIA: Ministarstvo Socijalne Potilike, Zentralamt für Arbeiterversicherung in Zagreb, Sozialversicherung in Jugoslawien, 1922–1926.

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