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PAPER NO. 7

EUROPEAN SOCIAL SECURITY SYSTEMS

A COMPARATIVE ANALYSIS OF PROGRAMS IN ENGLAND, SWEDEN, AND THE COMMON MARKET COUNTRIES, TOGETHER WITH A DESCRIPTION OF THE U.S. SYSTEM

MATERIALS PREPARED FOR THE
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CONGRESS OF THE UNITED STATES

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LETTERS OF TRANSMITTAL

SEPTEMBER 17, 1965.

To Members of the Joint Economic Committee:

Transmitted herewith for the use of the members of the committee and other Members of Congress is Study Paper No. 7, entitled "European Social Security Systems" which contains a comparative analysis of the social security program in effect in England, Sweden, and the six Common Market countries together with a separate description of the U.S. social insurance program as amended by the 1965 legislation. This study is one of a series which the committee has prepared as aids to an increased understanding of economic policies and institutions in the various industrial countries. The cooperation of those contributing to the compilation of these materials is greatly appreciated. The views expressed in these materials are those of the contributors and do not necessarily represent the views of the committee or individual members thereof.

WRIGHT PATMAN, *Chairman.*

SEPTEMBER 15, 1965.

Hon. WRIGHT PATMAN,
Chairman, Joint Economic Committee,
U.S. Congress, Washington, D.C.

DEAR MR. CHAIRMAN: Transmitted herewith is a comparison of the social security programs in eight major European nations. These are the United Kingdom, Sweden, and the six Common Market countries: France, West Germany, Italy, Luxembourg, Belgium, and the Netherlands.

Also included is a separate chapter on the Social Security System in the United States, containing descriptions of the new medicare program and the other 1965 changes. This is intended to provide a general comparison of the newly expanded U.S. system and the major European ones.

This study is another of the periodic comparisons which the Committee has done on important aspects of national economies. In 1963, the "Comparative Features of Central Banks in Selected Foreign Countries" was published, and in 1964 the committee published "A Description and Analysis of Certain European Capital Markets." These and the other similar committee studies have proven very useful to Members of the Congress and to the many students interested in the subject. In view of the very great interest in social welfare and antipoverty programs, it was deemed desirable to prepare and publish this social security study.

In doing the study, we have relied heavily on publications of the European Economic Community itself and have benefited from the aid of members of the Division of Research and Statistics of the Social Security Administration, Department of Health, Education, and Welfare—in particular, Mrs. Ida C. Merriam, Director of the Division; Mr. Daniel S. Gerig, Acting Chief of the International Social Security Branch; and Mr. William Yoffee and Mr. Werner Hasenberg, members of the staff of the International Branch. Not only did they review material submitted to them, but they contributed by preparing the tabular material and some of the narrative contained herein.

Sincerely yours,

James W. Knowles,
Executive Director.

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SOCIAL SECURITY SYSTEMS IN COUNTRIES OF THE EUROPEAN COMMON MARKET: A BRIEF COMPARISON *

All the countries of the European Common Market have broad social security schemes which cover wage earners and salaried workers. In addition, various special schemes for particular occupations or industries, as, for example, the miners, are provided. This article is confined to a comparison of the general schemes.

The information presented here comprises a summary of the data in "Tableaux Comparatifs des régimes de securité sociale applicable dans les États membres des Communautés européens, 1-Régime General" (third edition, 1964), published jointly by the European Economic Community and the European Coal and Steel Community. The tables in the document present a comparison of the general schemes under the national social security systems of Belgium, France, the Federal Republic of Germany, Italy, Luxembourg, and the Netherlands. Rather than reproducing all the details presented in the tables, this study provides a general overview of the six national systems, attempting to offer thereby some appreciation of and insight into their similarities and differences.

While the extent of the coverage of the labor force by the general schemes of the six national systems varies widely, the types of risks provided for are much the same. These schemes include old-age benefits, medical care, cash sickness benefits, maternity benefits, invalidity benefits, survivor benefits, family allowances and unemployment benefits. Differences among the national programs arise in the level of the benefits provided as well as in the systems' organization and finance.

Efforts are currently being made toward the harmonization of the six national systems. From the present absence of any pronounced movement toward stereotyping the systems or toward establishing a single unified system, it appears that this harmonization will not preclude differences among the national programs. Those differences, however, which hinder the free flow of labor or interfere with the rights of workers to obtain current benefits or credit toward future benefit protection whenever employed outside their country of residence, are being gradually narrowed. Totalization, that is, a system of combining social security credits from countries other than that of residence in which the worker was employed, as well as agreements among the various countries for making payments abroad, is progressing along with harmonization.

*Note.—This section does not include a discussion of the social security systems of Sweden, the United Kingdom, and the United States, the three countries outside of the EEC which are considered in this study. However, detailed narrative sections, covering these, as well as each of the EEC countries, follow.

COVERAGE

As a rule, manual workers, salaried employees, and agricultural employees are covered under the general schemes in the six countries. Exceptions, however, exist in Luxembourg, when there is a special scheme to provide salaried workers with sickness, maternity, old-age, invalidity, and survivor protection, and in France, where agricultural employees are protected under a special scheme for all risks except unemployment. In most countries miners, seamen, government employees, and railroad workers are protected under special schemes for some or all risks. However, seamen and railroad workers in Germany and seamen in the Netherlands are covered by the general schemes while Italy provides a special supplementary scheme of old-age benefits for miners. The self-employed may be covered for various risks by the general schemes, by special schemes, or not at all, as is commonly the case with unemployment and work accident benefits.

ORGANIZATION

The administrative organization of the general schemes differs in each of the six countries.

In Italy there are three national institutes which are responsible, respectively, for (1) sickness insurance, (2) invalidity, old-age and survivor benefits, family allowances, and unemployment insurance, and (3) work accident and occupational disease insurance. Each institute has local, provincial, and, except for sickness insurance, regional branches. Overall supervision is exercised by the Minister of Labor and Social Welfare.

In both Germany and Belgium social security is divided into five sectors, three of which are work-accident insurance, family allowances, and unemployment insurance. In Germany the others are old-age, invalidity and survivor insurance, and medical care. In Belgium invalidity insurance is administered with sickness insurance, while old-age insurance and survivor insurance are administered together. In both countries there are a variety of administrative instrumentalities, and the internal structures of the schemes differ markedly. In Germany the supervisory authority is the Federal Office of Insurance under the Ministry of Labor and Social Affairs. In Belgium the National Office of Social Security collects and distributes workers' contributions to the various schemes except for work accident insurance. Also, in Belgium the Minister of Social Welfare is responsible for all sectors except unemployment insurance, which is within the province of the Minister of Labor.

The French system is divided into two sectors, family allowances and social insurance, the latter covering all other risks except unemployment. These two share a common subordinate financial relationship to the National Social Security Fund. Under them, there are a variety of quasi-independent regional and local funds. Overall supervision is handled by the Minister of Labor. Unemployment protection is administered separately as assistance in France, but there is, in addition, a large nonstatutory unemployment insurance program.

Both the Netherlands and Luxembourg have national systems which are divided into three major sectors. These are (1) sickness insurance, (2) unemployment insurance, and (3) all other risks. In Luxembourg there is a national-local division of administrative responsibility within each sector. In the Netherlands the Social Insurance Council supervises every sector except that part of the sickness insurance sector dealing with medical care benefits in kind, which is supervised by the Council of Sickness Funds. In Luxembourg overall responsibility lies with the Minister of Labor and Social Security, while in the Netherlands responsibility lies with the Minister of Social Affairs and Public Health.

FINANCING

There are some significant differences in the financing of the six national systems and of the various schemes within each system. These differences occur with respect to the methods and sources of financing, the degree of participation of various parties (i.e., workers, employers, and government), the rates of contributions, the ceilings on the amounts of the workers' earnings that are covered, and the question of reserve financing.

Generally, all countries finance work accident insurance programs from a tax on employers which varies with the risk involved. In Luxembourg and Belgium, with respect to silicosis cases, the national Governments contribute to the cost of the program.

Family allowances are financed by employers in all the Common Market countries except Germany, where, since July 1, 1964, the entire cost is paid out of the Federal budget. The Governments of Belgium and Luxembourg contribute to their respective systems. Except in Germany and Luxembourg, only a portion of the total payroll is covered, thereby limiting contributions, which vary from 5 to 17.5 percent of the portion of the payroll covered.

Unemployment insurance in France, Belgium, West Germany, and the Netherlands is financed jointly by employee and employer contributions which are a fixed percentage of wages within the ceiling. Except in France where, under the supplementary system, employers pay 80 percent of the tax, employers and workers share the tax equally. In Italy employers pay the whole cost at 2.3 percent of total payroll in addition to a special tax for wage supplements at 0.2 percent of wages within the family allowance ceiling. The state pays the entire cost of the unemployment insurance program in Luxembourg; in all the other countries, the state makes some contribution.

Medical care, sickness, and maternity benefits are financed through employer and employee taxes in every country. A ceiling on covered payroll exists in every country except Italy. Government contributions are made to the schemes in Belgium, France, and Luxembourg.

Old-age, invalidity, and survivor benefit schemes are financed in every country in a way similar to its respective medical care program. The sole difference is that in France no contributions are made to the old-age, invalidity, and survivors benefit schemes by the Government.

The question of long-term financing is involved only in long-term type benefits: (1) invalidity, (2) old-age and survivors, and (3) work accident. There are two techniques, reserve financing and pay-as-you-go financing, which are used separately or in combination. Reserve financing involves the accumulation of funds in the earlier years of the system to help pay costs of benefits as the program matures. Pay-as-you-go financing entails raising sufficient income each year to cover expenses. Pay-as-you-go financing is used in France for all three types; in Italy for invalidity, and for old-age and survivors; in Belgium for invalidity; and in the Netherlands for work accident. Reserve financing is used for old-age and survivors in Belgium where work accident benefits are financed through private insurance carriers and occupational disease benefits are financed on a pay-as-you-go basis. In all other schemes in all other countries combinations of the two techniques are employed.

MEDICAL CARE, SICKNESS INSURANCE, MATERNITY BENEFITS

Medical care, cash sickness benefits, and maternity benefits are provided under a single scheme in each of the six countries. In Belgium the scheme includes invalidity benefits as well. In Italy the treatment of tuberculosis is provided for under the old-age, invalidity, survivor, family allowance, unemployment sector. The scheme in the Netherlands is divided into two parts: one dealing with benefits in kind (i.e., medical services), the other with cash benefits.

Benefits in kind are available to all gainfully employed workers and their families, pensioners, and unemployed workers in all six countries. Income ceilings for persons who may qualify are imposed only in Germany, for salaried workers, generally; and in the Netherlands. Only Belgium and France require qualifying work periods as a prerequisite for benefits, although Italy requires one for tuberculosis care.

In general, service benefits begin with the onset of illness and may be continued without limit. Italy has a stated limit of 6 months, but this may be extended. All of the systems provide coverage for the first day of the illness.

In Belgium, France, and Italy all physicians are eligible to treat patients under the system. In the other three countries only physicians with whom the state or the funds have made an arrangement may treat patients under the schemes. In Belgium and France, fees are paid to the physician by the patient who is then partially reimbursed by the fund, while in the other four countries payment is made directly to the physician by the fund. In Belgium, France and Luxembourg, the patient pays some of the cost of physician services. All countries provide free choice of physicians, but in Italy and the Netherlands the number of choices per year is somewhat restricted.

In most instances, relations between the funds and hospitals are arranged by contract, except in the case of public hospitals, and the patient has a free choice of approved or member hospitals. Except in France there is ordinarily no patient participation in the cost of hospital services. Exceptions arise with respect to care in sanatoria. Some or all of the costs of dental needs, drugs, and prosthesis, glasses, and hearing aids are paid for by the schemes in all countries.

Ordinarily, the insured worker may qualify for cash sickness benefits under all schemes if he has completed the qualifying period. In Germany, Italy, and Luxembourg members of his family may also be eligible. Benefits are generally paid when the illness results in incapacity for work. Benefits begin after 1 to 3 days of illness, although this waiting period may be waived under certain conditions. France and Italy have a 3-day waiting period.

Benefits may be continued for varying periods, usually a year or more for a single illness, except for Italy and Belgium, where the time limit on benefits is 6 and 9 months, respectively. In five countries the size of benefits may vary with the size of the beneficiary's family, his physical condition, and whether or not he is hospitalized. In the Netherlands a flat 80 percent of covered earnings is payable while in the other countries benefits range from 50 percent of covered earnings upward to 80 percent, but may be considerably reduced below 50 percent if the individual is hospitalized.

Maternity benefit schemes are associated with sickness insurance in all six countries. In France, however, part of the financing of the scheme is done through the family allowance scheme. The schemes cover women workers and wives of workers in all countries, and, except in Luxembourg, the daughters of workers. All schemes, except those in Italy and the Netherlands, require some minimum period of affiliation.

All schemes provide maternity benefits in kind, including hospitalization, midwife or doctor services, and drugs. They also provide some cash benefits which range from 50 to 100 percent of salary.

INVALIDITY BENEFITS

The risk covered under this heading is permanent loss of earning capacity. Ordinarily, a loss of two-thirds of normal capacity is sufficient to qualify a worker for benefits although in the Netherlands a 55 percent loss and in Italy a 50 percent loss by a salaried worker are enough for qualification. In Germany 100 percent loss is required for general invalidity and a 50 percent loss for occupational invalidity.

Generally, all workers are eligible for invalidity protection. In Germany, however, there is a wage ceiling for salaried workers, and in the Netherlands there are restrictions on coverage of salaried workers under age 35. In all countries conditions of entitlement require a minimum period of covered work or affiliation with the system ranging from 6 months to 5 years and the minimum degree of loss of earning capacity. Ordinarily, there is only a brief waiting period, if any at all, for benefits after onset of the condition, but during any such waiting period the worker will nearly always be entitled to sickness benefits.

Invalidity benefits are computed in various ways. In Luxembourg and the Netherlands they are combinations of fixed amounts plus increments based on earnings or contributions. In Italy they are determined as multiples of a percent of contributions which decreases the larger the total contributions. In Germany they are determined as a percent of basic average earnings times the number of years of insurance, the percentage for total invalidity being higher than for occupational invalidity. Belgium pays 60 percent of average earnings for workers with dependents and 40 percent for those having none. In France they are computed as varying percentages of the highest 10 years' earnings.

In none of the six countries can invalidity and old-age benefits be paid simultaneously, although some combination of invalidity and work accident benefits may be paid within certain maximum limits. Rehabilitation services are available to the invalidity beneficiaries. The benefits offered by each of the six countries may be revised periodically to take account of increases in the cost of living.

OLD-AGE BENEFITS

Coverage under schemes of old-age insurance is quite broad in the six countries. The scheme in the Netherlands covers every national from 15 to 65. The other schemes cover virtually all wage earners and salaried workers.

As a condition of entitlement, four countries require some minimum period of affiliation with the scheme. Germany, France, and Italy each require at least 15 years while Luxembourg requires 2,700 days for wage earners and 60 months for salaried employees. Only Belgium and the Netherlands have no such requirement since benefits vary directly with years of coverage. The normal retirement age is 65 except in France and Italy where it is 60. The retirement age for women in Belgium and Italy is 60 and 55, respectively.

Old-age benefits are computed by methods similar to those used for invalidity benefits in Germany, Italy, Luxembourg, and the Netherlands. In Belgium the old-age benefit is computed as a percent of salary times the number of earning years. In France the old-age benefit computation is like that for invalidity, but, in addition, takes into account the number of years the beneficiary is insured.

In four countries the old-age benefit is supplemented if the pensioner has children. In Belgium and the Netherlands, however, reliance is on the family allowance schemes for the support of the pensioner's children. In Belgium a pensioner receives a larger pension if he has a wife, while in France he receives an increment paid in addition to his pension. Reduced benefits at an age earlier than normal retirement age are possible in all countries except the Netherlands.

Some provision is made in all countries for periodic revision of benefits to keep them in line with the general cost of living. In Belgium and Luxembourg there is an automatic increase when there have been minimum changes in a particular index (price, salary, etc.). France conducts an annual revision. In Italy and the Netherlands legislative action is necessary, but it is triggered by changes in the economy. In Germany there are two kinds of adjustment—one, involving only newly awarded pensions, automatically adjusts earnings used in the computation to determine the base salary; the other, involving pensions in force, takes place annually as a result of legislative action taking account of changes in the national product, the economic capacity, and the productivity of the insured workers.

SURVIVORS BENEFITS

Survivor benefit schemes exist in all six countries. The Netherlands has in effect two schemes, a system of widows' and orphans' pensions, and a part of an older, old-age-invalidity scheme.

The term "survivor" includes widows in every country and, except in Belgium and France, also includes orphans. Except in Belgium and the Netherlands, the term further includes widowers if they are dependent or disabled, or in some cases both. Widows must have attained a certain age to qualify for survivor benefits in Belgium, France, and the Netherlands.

In all countries some period of prior affiliation, varying from 1 to 5 years, with the insurance system is required. In the Netherlands the widows and orphans benefit scheme has no affiliation requirement, but the pension varies with the length of coverage. The required affiliation with the old-age-invalidity scheme is less than a year. Survivors of pensioners are also protected.

Benefits for widows range from one-half to two-thirds of the worker's assumed benefit, except in the Netherlands, where they are higher. A distinction is made, generally, between orphans and half orphans with the former receiving substantially higher benefit amounts. Total family benefits in Germany, Italy, Luxembourg, and the Netherlands are limited to 100 percent of the worker's assumed pension. When the widow remarries her pension generally ceases, although she may receive, except in France, an additional payment equal to from 1 to 5 years' annuities.

Funeral benefits are payable in varying amounts under the survivor schemes in all countries except Belgium and the Netherlands. The system in Germany continues the deceased's benefit to his widow for 3 months. Funeral benefits are provided under the sickness insurance programs in all countries, except France and the Netherlands, in addition to the benefits provided under the survivor's schemes.

WORK ACCIDENT AND OCCUPATIONAL DISEASE INSURANCE

Protection in case of work accidents or occupational diseases is organized as compulsory public insurance schemes in all of the Common Market countries except Belgium where employers are permitted to contract with private insurers. The definition of "work accident" is much the same in all six countries, but the definition of "occupational disease" is based on established lists of such conditions which lists differ from country to country. In Germany, however, any disease with proved occupational origin is compensable.

Coverage extends generally to all workers as well as apprentices. In Italy, however, the majority of salaried workers are not covered. Benefits usually take care of all of the victim's medical needs. He has free choice of physicians except in Germany and Italy, and payments are made directly to the physicians by the funds. Medical benefits are without limit in every country and cash benefits are payable immediately except for brief delays in Italy and the Netherlands.

Where resulting incapacity for work is permanent, the degree of loss of earning capacity is determined by the scheme but is periodically subject to revision. Only in Germany, Italy, and the Netherlands is a minimum degree of incapacity, from 10 to 21 percent, required to become eligible for partial benefits under these schemes. If the worker's incapacity is less, he is not eligible for any pension.

In all countries the worker's effective salary prior to leaving work is considered in the calculation of his compensation. If there is total incapacity the worker's compensation represents a percentage of effective salary (from 66⅔ to 100 percent). In the case of partial incapacity, the compensation becomes a fraction of amount that would be allowed for total incapacity. This fraction is proportional to the percentage of invalidity in four countries, but in France and Italy it is less in the low percentages of incapacity and becomes progressively higher as total incapacity is approached, thus assuring proportionately greater compensation than that paid under the programs of the other four countries. In five countries automatic benefit revisions are provided for, while in Luxembourg legislative or regulatory action is necessary.

All six countries provide for compensation to the widows of deceased workers under these schemes. The amounts are various percentages of the wage of the deceased. In some cases a flat percentage is payable while in others the percentage will vary according to the age and physical condition of the widow. Benefits are also accorded to orphans and parents under different conditions.

FAMILY ALLOWANCES

This form of social security began in Europe during the 1930's. All six countries have schemes which provide benefits for legitimate, recognized natural, adopted, and foster children of a worker. Benefits are also available for brothers, sisters, nieces, and nephews in Belgium and Italy.

In five countries benefits become payable starting with the first child. In one of these, France, the payment for the first child is made only if the wife is not working. In Germany, benefits begin with the advent of the second child for workers earning less than a specified wage and with the third under all circumstances.

Generally, benefits to the family increase with the addition of new children up to a maximum ranging from three to seven children, and the average amount per child increases. In Italy, however, a flat amount is paid for each child. In Belgium and France benefit amounts are increased periodically as a child grows up.

Payments continue as long as the child is under a prescribed age, which ranges from 14 to 19, or higher when the child is an apprentice, a student, an unmarried daughter at home or disabled. In Belgium, Italy, and Luxembourg benefits are payable in the case of a disabled child for the duration of his disability and without regard to age.

Italy provides benefits for persons other than parents who care for children. France and Belgium pay prenatal benefits and both, along with Luxembourg, pay birth benefits. France, in addition, pays a rental allowance, a moving allowance, and for children of sick miners, a special education allowance. Belgium pays an extra month's allowance each year as a vacation allowance.

All countries pay family allowances for children of the unemployed and of pensioners, while Belgium, Luxembourg, and the Netherlands make special provisions for orphans.

UNEMPLOYMENT INSURANCE

Unemployment insurance schemes exist in Belgium, France, Germany, Italy, and the Netherlands. In France, the insurance scheme is of a nonstatutory contractual nature as opposed to the compulsory nature of the schemes in other countries and exists in addition to the public unemployment assistance scheme. Germany and the Netherlands also have unemployment assistance schemes supplementing their insurance schemes, while Italy has a supplementary scheme of special unemployment allowances. The Netherlands has as its basic unemployment protection a scheme of "waiting benefits" which continues for 48 days until other unemployment protection becomes effective. Luxembourg has only unemployment assistance.

In general, coverage under the various schemes extends to all workers who are covered under the other forms of social security.

Luxembourg, however, excludes certain agricultural workers, while the Netherlands applies some income limitations on coverage under its insurance scheme.

To be entitled to benefits for total unemployment, the worker must be available for work, have had a certain amount of prior employment varying from as little as 2½ months out of the previous 10 months in Belgium to as much as 1 out of the past 2 years for some groups in Italy, be under 65 (except in Italy or for insurance in Germany where there is no age limit, or under 60 for women in Belgium), and serve a brief waiting period of a week or less except in the Netherlands.

Benefit periods are limited except in Belgium, and for some persons in France and Germany. Generally, these periods are from 6 months to a year. Some benefits in France and all in Italy are fixed, while in the other cases they range from 35 to 90 percent of wages. Family supplements are available in all countries except Luxembourg. Family allowances are available to the unemployed worker's family in all countries except Italy.

The concept of partial unemployment is used in all countries and is defined as a reduction in normal hours of employment or irregularity of employment. Considerations for entitlement are much the same in all countries as for total unemployment, but in three countries—Germany, France, and Italy—the benefits are calculated differently and with reference to the lost income.

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SOCIAL SECURITY EXPENDITURES OF COMMON MARKET COUNTRIES, SWEDEN, THE UNITED KINGDOM, AND THE UNITED STATES

The Common Market countries expend between 12 and 14.4 percent of national income on social programs. The narrow range of difference reflects the close similarity of the programs in these countries. The United Kingdom is somewhat lower, with an aggregate outlay of 10.6 percent, while Sweden's expenditures for these purposes was 9.2 percent. In the case of the United States, the aggregate outlay is a much smaller percentage of national income: 4.8 percent. The smaller figure in the case of the United States is explicable, in part, by reason of the fact that the European programs include more elaborate sickness and maternity insurance benefits, as compared to very limited ones in the United States. Moreover, all the European countries have family allowances whereas the United States has none. The addition of medicare to the U.S. programs, however, is likely to reduce the differential between its expenditure-income ratio and those of the European countries.

Germany devoted the highest percentage (8.1 percent) of its national income to old-age, survivors, and disability insurance. By contrast, France devoted 3.9 percent of its national income to this purpose, slightly above the U.S. ratio of 3.6 percent. In both Germany and France, sickness and maternity insurance benefits exceeded 4 percent, and the United Kingdom showed the highest relative outlays for this purpose: 5.1 percent.

Social security expenditures of Common Market countries, Sweden, the United Kingdom, and the United States, as percent of national income, by major types of coverage, 1962

Country	Total	OASDI	Sickness and maternity insurance	Unemployment insurance	Work accident insurance	Family allowances
Belgium	13.4	4.7	3.6	1.1	1.0	3.0
France	13.4	3.9	4.1	0	1.1	4.3
Germany (Federal Republic)	14.4	8.1	4.5	.4	.8	.6
Italy	[1] 12.0	4.7	2.9	.6	.6	2.9
Luxembourg	13.7	6.3	3.1	0	1.8	2.5
Netherlands	12.0	5.7	3.6	.6	.4	1.7
Sweden	9.2	5.1	2.2	.2	.2	1.6
United Kingdom	10.6	4.2	[2] 5.1	.3	.3	.6
United States	4.8	3.6	[3] .1	.7	.3	--------

[1] For 1961; total includes 0.3 percent for expenditures not classified under any of the 5 branches.
[2] Includes expenditures for National Health Service as well as cash benefit expenditures under the National Insurance Act.
[3] Temporary disability insurance in 4 States and for railroad workers.

Sources:
Common Market: Communaute Economique Europeenne, Commission, "Expose sur l'Evolution de la Situation Sociale dans la communaute en 1963," July 1964, p. 327.
Sweden: "Statistical Abstract of Sweden, 1964", 1964, p. 255.
United Kingdom: (a) "Social Security Expenditures," Monthly Digest of Statistics, May 1965, pp. vi, vii; (b) "National Income: United Nations Yearbook of National Accounts Statistics, 1964," 1965.
United States: Social Security Administration.

ANALYSES OF THE SOCIAL SECURITY SYSTEMS OF THE COUNTRIES OF THE EUROPEAN COMMON MARKET AND OF THE UNITED KINGDOM AND SWEDEN [1]

Each of the six member countries of the Common Market maintains its own social security system. The Community's social policy aims at harmonizing the provisions of these national systems while improving the overall level of benefits.

A harmonized social security system in the Community is of particular importance to workers who find jobs outside of their home country. Under the EEC, the foreign worker is guaranteed the same treatment and social benefits as his colleagues who do not migrate. In addition, the foreign worker usually plans to leave the country where he works and wants to receive retirement and other benefits when he returns home. An Italian working in a Volkswagen plant, for example, looks forward to the day when he can return to Naples and receive his pension. A social security system with similar provisions for all countries is especially important if workers are to be encouraged to work outside their home countries in areas where labor is scarce.

Each year the European Coal and Steel Community and the European Economic Community survey the national systems of social security to determine where differences still exist. In this way efforts can be made to remedy inequities, and workers can be informed of the coverage in any Community country in which he may consider working.

[1] Source: Excerpts of article, "Social Security in the Community: France," Labor in the European Community, No. 1, January 1964.

BELGIUM[1]

Belgian social security legislation, like that of the other six EEC member states, will form the basis of a harmonized system of social benefits which is planned for the Community.

WHAT IS THE COVERAGE AND WHO IS COVERED?

Eight types of social security benefits are provided in Belgium and the other Community countries: Health insurance, maternity payments, disability insurance, old-age payments, survivors benefits, workmen's compensation, family payments, and unemployment compensation. Most workers are covered by the general Belgian social security plan, though there are special programs for seamen, railroad workers, and civil servants.

HEALTH INSURANCE

Insurance is provided either through mutual insurance companies or through offices in each enterprise. Only the insured are represented on the governing boards of the mutual companies, but there is equal representation of employers and employees in the local enterprise offices. All entities providing insurance are placed under the control of a national board composed of representatives of workers, employers, the mutual companies, local offices, doctors, pharmacists, and the government. The national board also controls the disability insurance program. Regional organizations below the national board insure liaison among the various agencies and handle benefit payments.

Who is eligible to participate and under what conditions?

All workers under contract and their families, pensioners, and the unemployed are covered. Those covered must have participated for from 3 to 6 months prior to receiving benefits, but there is no ceiling on participants' incomes. Medical and other benefits are paid from the onset of illness without limit on duration.

How are health benefits financed?

The Belgian system, like those in Germany, France, and Italy, provides for a single payment to a general social security fund for all benefits. Contributions for blue-collar workers are 7 percent of wages, equally shared by employer and employee. White-collar workers contribute 2.75 percent of their salaries and the employers 3.25 percent. The state makes an annual contribution equal to 16 percent of the total paid in by the employers and employees. The wage base for determining contributions has a ceiling of $160 a month.

[1] Source: Excerpt from article, "Social Security in the Community: Belgium," Labor in the European Community, No. 5, October 1964.

What doctors and hospitals participate?

Individuals have a free choice among all doctors belonging to the national medical association. Doctors have complete freedom in setting their fees. There is also a free choice among hospitals approved by the Minister of Public Health. Rates are set by agreement with the insurance organization or by the Government if an agreement cannot be reached.

What special health benefits are covered?

Sanitarium fees may be paid up to a daily maximum of $4. Cures may be paid for, including the costs of transportation and special clothing. Most normal dental care and prescriptions are paid for according to the official rate schedule. Allowances are made for prosthetic devices.

What cash payments are made to individuals receiving health benefits?

All workers are eligible to receive as much as 6 months of cash benefit payments after they have been ill for 3 days. If the illness continues, the worker becomes eligible for disability payments. Payments range from 20 to 60 percent of the base salary if the worker is not hospitalized.

Are benefits available to foreigners?

All foreign workers are eligible for the same coverage as natives when they are in Belgium and meet the requirements of the program. Workers from Common Market countries receive the benefits they have earned, even if they have left the country.

MATERNITY PAYMENTS

The health insurance program covers cash benefits ranging from 60 to 100 percent of the base salary for a 12-week period. Medicines are also provided to working wives or the wives of insured workers. A contribution is made toward the cost of the layette and a lump-sum payment of $105 is made under the family payments plan. After the first birth, this amount is reduced to $52.50.

DISABILITY INSURANCE

The disability program is linked to the health insurance program in Belgium and is administered in the same way.

Who is eligible?

All workers must participate in the program, and they are eligible for benefits if they are unable to earn more than a third of the normal salary for their job due to disability. The worker must have been employed from 3 to 6 months prior to becoming disabled.

How is disability insurance financed?

Contributions are the same as those under the health insurance program. The maximum wage base for contributions is $1,920 a year. The state contribution under the health insurance program is also applied to disability benefits.

What benefits are given?

For the first 150 days of disability, the worker receives 60 percent of his former wages, subject to a daily ceiling of $3. After this period, the maximum payment is $2.24 if the worker has dependents or $1.60 if he has none. These benefits may be combined with those received under the workmen's compensation system. A disabled worker may receive retraining for a new job and is eligible for adjustments in benefits if the cost of living changes by more than 2.5 percent.

OLD-AGE PAYMENTS

This program is administered jointly by employers and employees. The contributions are 9 percent of salaries of blue-collar workers with employers and employees each contributing half and 10.25 percent for white-collar workers with employers contributing 6 percent and the worker the remainder. The maximum base salary used for computations is $2,016 a year. The State also contributes. Men are eligible for benefits at 65; women at 60. The minimum pension for a blue-collar worker is $580 a year and is set at $928 for white-collar workers. The maximum is $1,500 a year. Cost-of-living adjustments are made in the benefits.

SURVIVORS BENEFITS

Widows raising children and those over 45 receive 60 percent of the retirement pension. A lump-sum payment equal to 30 times the worker's daily wages is made to cover funeral expenses.

WORKMEN'S COMPENSATION

Workers may choose to join the accident insurance plan but must participate in the plan covering illnesses resulting from work. These plans are administered by both professional and national insurance companies. The amount of disability is set through agreement between the injured party and the insurer, but must be approved by a justice of the peace. The maximum benefit is $2,400 a year, but this may be increased by $1,200 if the injured party requires an attendant or nurse. The payments continue even if the worker finds a new job. Benefits are also continued, at a reduced rate, for surviving widows and orphans. Job retraining is provided, and employers are required to make jobs available to disabled workers. Cost-of-living adjustments are made under this plan.

FAMILY PAYMENTS

Employers contribute 9 percent of the base salary (annual maximum is $1,920) to finance payments given for each child. The payment for one child is $8.93 a month, but the amount for each additional child is greater and a larger payment is made for older children.

UNEMPLOYMENT COMPENSATION

Employers and employees each contribute 1 percent of wages to finance unemployment compensation, which is payable without limit to workers who are available for work. Payments equal 50 to 60 percent of the base wage. Family payments are continued while unemployment compensation is paid.

FRANCE [1]

FRENCH SOCIAL SECURITY

The French social security system provides a wide range of benefits. Similar systems exist, with some notable variations, in all countries of the Community.

Benefits such as those available in France constitute important fringe benefits for all workers. Although there are ceilings on benefits, they provide an adequate scale of payments for all French workers. Many elements of the French system are the standards which the social security systems of the other member countries will have to meet as Community social benefits are harmonized.

WHAT IS THE COVERAGE, AND WHO IS COVERED?

In France, as in all other Community countries, there are eight types of coverage under social security: Sickness, maternity, disability, old age, survivors, workmen's compensation, family allowances, and unemployment insurance.

All workers are accorded all eight kinds of benefits, though miners, farmworkers, sailors, civil servants, and railroad men are under special programs. How may Pierre du Pont, a typical (and mythical) French worker, benefit from the French social security system?

HEALTH INSURANCE

The comprehensive French health insurance program is under state control, although employers and employees participate in its administration. Pierre du Pont, of course, has no choice between programs since only the official one exists. It is organized in a three-tiered structure: the local funds make benefit payments and receive deposits, the regional organs set the approved medical and hospital rates which will be paid, and the national fund makes payments to the local groups and coordinates the entire program.

All doctors participate in the program. Their rates of payment are fixed by agreement between the Social Security Administration and the medical association. These rates may be suspended when the doctor consulted has an especially high standing or when the patient makes unusual requests for medical care. All public hospitals and a number of private institutions approved by the Social Security Administration participate. An individual has free choice of doctor and hospital.

All contributions to the health insurance program are taken from the single payment made to the social security program each month. The ceiling on this overall payment is \$162. The payment is 20.25 percent of Pierre's income; his employer pays 14.25 percent and he

[1] Source: Excerpt from article, "Social Security in the Community: France," Labor in the European Community, No. 1, January, 1964.

pays 6 percent. His father, who is already receiving a pension, makes no contribution. The state does not contribute, but it may make advances to the fund in order to help pay benefits.

All paid workers, their families, and all pensioners and unemployed are eligible for health benefits. Pierre must have worked 60 hours in the 3 months preceding the illness to be eligible for benefits.

Health insurance benefits begin at the onset of illness and are unlimited. Pierre du Pont pays the doctor directly and is reimbursed. Except in the case of long illnesses, he is expected to pay 20 percent of the doctor's and hospital's fees.

There is no limit on the length of hospitalization covered. With the advance approval of the Administration, sanitarium fees will also be paid. Health insurance also covers dental bills for cleaning and extraction of teeth, orthodontic and prothesis work. Du Pont must pay 20 percent of these expenses. From 70 to 90 percent of the cost of drugs will be paid as well as from 80 to 100 percent of the cost of prosthetic appliances.

Pierre du Pont is eligible to receive cash payments during his illness. He may receive payments for a period of 12 months in any 3-year period. His right to receive payments during the first 6 months is based upon his having worked 60 hours in the previous 3 months. For further payments he must have worked 480 hours in the last 12 months, 120 of which were in the last 3 months.

After a 3-day wait, Pierre begins to receive his daily payments. If he is not hospitalized, he receives 50 percent of his pay, increasing to 66.67 percent after 31 days if he has three or more children. However, the maximums for these payments are approximately $2.70 and $3.60 per day, respectively. If the worker is hospitalized he receives 20 percent of his income if he has no family and 50 percent if he has at least two children. Pierre's father, on pension, receives 100 percent of his benefits while ill. Benefits paid for lengthy illnesses are periodically alined on current wages.

On French territory, foreigners receive the same benefits as the French. Workers from Common Market countries may also receive benefits if they have worked in France but are not in French territory when they fall ill. Such benefits are extended to other non-French workers only by special treaties.

MATERNITY BENEFITS

Maternity benefits are part of the health insurance program. Working wives, such as Pierre's wife Marie, and nonemployed wives of workers are eligible to receive benefits if contributions have been made on their behalf for the preceding 10 months. Virtually all medical and hospital bills are paid by the Social Security Administration. Marie du Pont also receives from 60 to 66 percent of her income for the 14-week period she is away from work. All families receive an allowance for feeding the baby in its first 5 months.

DISABILITY INSURANCE

If Pierre cannot earn one-third of his normal wages following an illness or injury, he is entitled to disability benefits. The social security system for these benefits is much like the one for health benefits.

Workers are placed in one of the three categories: (1) Able to do some work, (2) unable to work, and (3) needs the help of another person for normal activities. The amount of payments is set in relation to the worker's average earnings over the most recent 10-year period, or over a lesser period if he has not been working long. Those in the first group receive 30 percent of this amount; those in the second, 50 percent; and those in the third, 70 percent. The annual maximum salary on which these benefits may be computed is $1,994. Thus the maximum for group 2, for example, is almost $1,000.

Benefits may be stopped if Pierre is able to earn more than 50 percent of his former salary or if he engages in salaried or unsalaried work which indicates that he no longer needs help.

Pierre may receive workmen's compensation payments at the same time as disability insurance, but total benefits cannot exceed the individual's full wages previously.

The disability program also provides for job retraining, partly financed by the state. Pierre would continue to receive most of his benefits during his retraining.

All disability benefits are adjusted annually to account for increase in the cost of living.

OLD-AGE BENEFITS

The Social Security Administration provides old-age benefits in much the same way as other payments. The regional group under the Social Security Administration is composed of 18 workers and 6 employers and other disinterested representatives, despite the fact that the employers actually contribute more than twice the amount paid by the workers.

All salaried workers are eligible for old-age benefits. Maximum benefits of 20 percent of his annual wage are paid to an individual who has worked 30 or more years. A person who has worked between 5 and 15 years receives 10 percent of one-half the payments he and his employer have made to the old-age program. The minimum pension payable is $160, while the maximum is approximately $770 a year.

In addition to the pension benefits, Pierre du Pont will receive 50 percent of the pension amount if his spouse is over 65. Further payments of 10 percent of the pension may be made to an individual who raised at least three children.

If a person decides to delay receiving a pension after age 60, when he is eligible to begin receiving it, the pension is augmented by 1 percent for each quarter year beyond 60 that it is delayed.

SURVIVORS INSURANCE

Benefits payable to survivors are limited to certain widows, since many payments to survivors are possible under other programs. Family allowances are payable to children, for example, so they do not receive survivors benefits.

A widow (or dependent widower) younger than 60 years of age and an invalid is eligible for survivors benefits resulting from the death of the spouse before his 60th birthday. A widow over 65 years old will receive survivors benefits following the death of her spouse who was older than 60. The survivor receives one-half the retirement benefit with a $120 minimum. Benefit payments cease upon remarriage.

A payment for funeral and other expenses in an amount equal to 90 times the daily income of the deceased is also made.

WORKMEN'S COMPENSATION

Injuries from all accidents occuring on the job are covered by workmen's compensation. If the employer is directly responsible for the accident the amount of benefits may be increased; if the worker is responsible they may be reduced.

All workers are covered by the plan, and they are given a free choice of doctor and hospital in case of injury. Workers also receive cash payments until they are rehabilitated. The amount Pierre du Pont receives is based on the rate of income and the degree of disability, as determined by the local social security board. The maximum benefit is almost $10,000 a year. This may be augmented by payments for a nurse's or attendant's charges. Family benefit payments continue while Pierre receives workmen's compensation.

The worker may receive both a pension and workmen's compensation at the same time; their combined amount cannot exceed 80 percent of his former wages. If he is receiving an old-age pension there is no such limit. In the event Pierre dies while receiving compensation, his widow, children, and other dependent relatives receive survivors benefits in addition to those ordinarily paid. There is also a lump-sum payment for funeral expenses.

The workman's compensation program also provides for job retraining and placement in a new job.

FAMILY ALLOWANCES

The family benefit plan is relatively new in the Community countries. Parents of two or more children receive family allowances which are augmented for each additional child. A head of family allotment is also paid. Additional payment may be made for families living in a section of France where the prices are high. There is a supplementary payment for single-salary families, in which the wife does not work, and benefit payments begin even before the birth of the first child.

If a family has only one working member and includes three children, for example, the monthly family benefits would be $51.81. It would be reduced to $32.11 in Pierre du Pont's family, in which both parents are working.

Family benefits also provide for prenatal care, medical expenses at birth, and rental and moving assistance for a family which must find a new place to live because of a growing family.

All workers, pensioners, and unemployed are entitled to these benefits. The allowances are financed by employer's contributions equal to 13.5 percent of the worker's wages.

UNEMPLOYMENT INSURANCE

All unemployed workers who are able to take a new job but cannot find one are eligible for unemployment compensation. Pierre du Pont must have worked 150 days in the last year to be eligible for unemployment payments. His former employer contributed 0.2 percent of his wages and Pierre 0.05 percent to finance the fund. He receives payments from both the state (90 percent) and his locality (10 percent).

Benefits paid are based on the average wages for the 6 months preceding unemployment. These benefits may be reduced by 10 percent a year over a 3-year period if the individual remains unemployed, but he may continue to receive reduced payments until age 65. The benefits are small—less than $2 a day—but family allowances are also payable. Pierre's compensation will be reduced if he finds part-time employment; the total of his wages and unemployment compensation may not exceed $150 a month. When it exceeds this level, compensation stops.

GERMANY [1]

GERMAN SOCIAL SECURITY

Benefits provided in Germany are similar to those available in other Community countries. Much of the German system is private in contrast to the French and Italian systems, which are much more highly Government controlled.

The German worker receives important fringe benefits in the form of payments under the social security system. In some cases, these benefits are not as high as those paid elsewhere in the EEC states. The EEC Commission seeks to raise these benefits to the highest now prevailing in the Community.

WHAT IS THE COVERAGE AND WHO IS COVERED

The Federal Republic of Germany, like the other Community countries, has eight types of social security coverage: Health, maternity, disability, old age, survivors, workmen's compensation, family allowances, and unemployment insurance.

With the exception of miners and civil servants, all workers are covered under the same general program. Let's see how Hans Schmidt, a mythical German worker, would benefit from the German social security system.

HEALTH INSURANCE

The German health insurance program, in contrast to the French, is privately run, though it is under state supervision. Hans Schmidt is required to belong to the health insurance plan at his place of work or residence. The program is administered on a hierarchical basis, with the regions, composed of local organizations, being grouped under a Federal association. The main powers remain with the local group which receives contributions, makes payments, and supervises the program's operation.

Only approved doctors and hospitals take part in the program. The local health insurance group makes a lump-sum payment to the doctors providing services to workers who are covered, and the doctors divide the payments according to a formula they establish. Hans has a free choice of the doctor or hospital he uses, so long as the individual doctor or institution is a member of the program.

Employers and employees contribute equally to the fund. The Federal Government contributes on behalf of the unemployed. The monthly ceiling on the total contribution per worker is $165. Depending on the locality in which he is covered, Hans and his employer contribute between 8 and 11 percent of his salary. The state does not contribute to the program.

[1] Source: Excerpt from article, "Social Security in the Community: Germany," Labor in the European Community, No. 2, February 1964.

In a unique feature of the German system, there is a ceiling on incomes for beneficiaries; they must earn less than $1,980 a year in order to receive health benefits. There are no requirements for prior work before benefits may be received.

Benefits are paid from the beginning of the illness and are unlimited except that only 1 month of hospitalization is covered. Health insurance also provides complete coverage for dental work and hearing devices and most of the payments for medicines.

Hans Schmidt can receive cash payments during his illness in addition to health insurance benefits. He may receive payments for 78 weeks in a 3-year period. There is no minimum amount of prior work necessary for him to receive these benefits. They may reach 69 percent of his normal daily income if he has children. A pensioner would receive cash benefits at the same rate as a worker. Benefits are periodically adjusted in accordance with changes in the cost of living. Under German law, Hans' employer pays the difference between the benefits and Hans' full salary for a 6-week period. Health benefits are extended to all workers in Germany regardless of nationality. Workers from Common Market countries may also receive benefits if they have worked in Germany but fall ill when they are no longer in the country.

MATERNITY BENEFITS

Maternity benefits, part of the health insurance program, are paid to working wives and wives of workers covered by the health program. Payments are made for all of the various expenditures associated with maternity and may last for as long as 26 weeks. A working wife receives from 50 to 75 percent of her salary while a dependent wife receives 25 percent of her husband's salary.

DISABILITY INSURANCE

If a worker is unable to earn half the salary he normally would receive, or if he is forced to take work which only provides him with an irregular income, he may be declared eligible for disability insurance Blue-collar workers receive their benefits from regional associations; a Federal program covers white-collar workers.

Employers and employees share equal management responsibility for the system. They each contribute an amount equal to 7 percent of the employee's income. This contribution also covers old-age, disability, and survivors insurance. The state contributes about 25 percent of the total annual expenses of the program. All workers are covered.

The worker must have worked 60 months before he is eligible to receive benefits. If he is declared professionally incapacitated (unable to earn 50 percent of his normal income in his own profession) he may receive 50 percent of his former salary. For a person declared a general invalid (only able to earn a sporadic income in any field) benefits may be as much as 100 percent of the former salary. The maximum salary covered is $2,850 a year. Benefits are adjusted to keep pace with the cost of living.

OLD-AGE BENEFITS

Old-age benefits are under much the same system as disability insurance. All salaried workers who have earned less than $3,750 a year are eligible for these benefits. A worker must have contributed to the program over a 180-month period in order to be covered.

The normal retirement age is 65 although it is possible to retire earlier. For example, if a worker reaches his 60th birthday and has been unemployed for more than 1 year, he may elect to begin receiving his pension at a reduced rate. Old-age benefits are adjusted in accordance with changes in the cost of living.

SURVIVORS BENEFITS

Benefits are extended to all widows and dependent widowers. In order for them to be eligible to receive benefits, the deceased must have been participating in the insurance program for at least 60 months. Benefits are, on the average, three-fifths of the amount of disability insurance; orphans receive one-fifth of the disability insurance. The total amount of all survivors benefits cannot exceed 100 percent of the salary of the deceased.

No matter what benefits are actually due, the full salary is paid for 3 months in order to provide for funeral and other unusual expenses.

WORKMEN'S COMPENSATION

The workmen's compensation program is under the supervision of the Federal Government, and all workers are covered. They are grouped in professional associations which are responsible for the management of the funds.

All financing is provided by the employers; at no time does a worker have to make either a contribution or a payment for medical services. Hans Schmidt does not have a free choice of doctor, but must go to a designated expert for his particular illness or injury.

For short-term disabilities, the worker receives 90 percent of his salary for the first 6 weeks, and then 50 percent. For longer disabilities the payments are based on the degree of disability. Payments cannot exceed $1,200. Under this program pensions are available for widows and orphans. The beneficiary may also continue to receive old-age and disability payments provided that the total received does not exceed 85 percent of his former salary. The workmen's compensation program also provides for job retraining and placement in a new job.

FAMILY ALLOWANCES

Special payments are available when a family has three or more children. The payments are financed by an employer's contribution equal to 1 percent of the worker's wages and by the state. The benefits may be paid on behalf of the child until he is 25 if he is pursuing a course of studies. Hans receives $10 a month for his third child and would get $10 for each additional child. A worker may receive payments of $6 a month for their second child if their economic status warrants it.

UNEMPLOYMENT COMPENSATION

Both employers and employees contribute to the unemployment compensation program. Each contribute 0.7 percent of the worker's salary; $2,250 is the highest wage base used. The state also provides some of the financing.

The worker must have held employment in the recent past and be available for a new job to be eligible for unemployment compensation. The payments are based on the number of months worked in the years immediately preceding the period of unemployment.

The maximum amount payable is about $190 a month. The amount paid declines from 90 to 55 percent of former wages over varying periods, dependent upon prior work. Small additional payments are also made to dependents.

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ITALY [1]

Italians benefit from one of the most comprehensive social security systems in the Community. The Italian system, along with the French program, provides many of the standards upon which other Community systems will be alined. Since harmonization of social benefits is one of the fundamental objectives of the Community's social policy, the Italian system will, in many ways, help determine the character of that policy.

WHAT IS THE COVERAGE AND WHO IS COVERED?

In Italy, as in the other five Community countries, there are eight types of social security benefits: Health insurance, maternity payments, disability insurance, old-age payments, survivors benefits, workmen's compensation, family payments, and unemployment compensation. Most Italian workers and their families are covered under the general social security program; seamen, civil servants, and railroad workers have special programs.

HEALTH INSURANCE

The Italian health insurance program is operated by an autonomous administration under the National Government. The insured, employers, and governemntal representatives oversee the management of the health insurance fund. Local branches assure that appropriate medical care is available and make benefit payments, The regional organizations collect contributions and administer the funds, while the National Council supervises the entire program. There is a separate administration for tuberculosis patients in Italy.

Who is eligible to participate and under what conditions?

All paid workers not employed by the Government and their families, pensioners, and unemployed are covered. There is no ceiling on the income of participants. Medical costs are paid for all dependents for whom the worker receives family benefits. There is no required period of work before an individual can receive benefits. Benefits are paid from start of illness, but for no more than 6 months a year.

How are health benefits financed?

A single payment is made to the Social Security Administration. For blue-collar workers, the employer contributes 7.15 percent of wages; the worker, 15 percent. White-collar workers contribute 15 percent; their employers pay 5.15 percent of wages. The state contributes nothing to the benefits. There is no ceiling on the wage base for contributions.

[1] Source: Excerpt from article, "Social Security in the Community: Italy," Labor in the European Community, No. 3, April 1964.

What doctors and hospitals participate?

All licensed doctors may participate. The National Health Insurance Council makes special agreements with both public and private hospitals. The Tuberculosis Administration has its own sanitariums. Doctors either are under contract with the Social Security Administration or they are paid separately for each patient. No doctor can have more than 2,000 insured persons assigned so him. When payments are made directly to doctor or hospital, the insured must select one associated officially with the health plan. When he is to be reimbursed for his medical costs, he may choose any doctor or hospital. In this case, he must pay some of the costs himself.

What special health benefits are covered?

Complete payment of sanitarium fees for tuberculosis payments are made with no limit on payments. Up to 50 percent of the costs of cures may be paid, if the Administration gives its approval in advance. Normal dental care is provided free. Small allowances are made for payments on prosthetic devices. Most prescriptions are free. For hearing aids and eyeglasses, the fund may pay up to 50 percent of total costs. Health benefits for recuperation, even after the 6 months normally covered, can be made.

What cash payments are made to individuals receiving health benefits?

After 3 days of illness, all blue-collar workers are eligible for as much as 6 months of cash payments. If he is not hospitalized or is hospitalized but has a family, the worker receives 54 percent of his wages. If he is single and is hospitalized, he receives 22 percent of his wages.

Are payments made to foreigners?

All foreign workers in Italy receive the same benefits as Italian workers. Workers from Common Market countries receive benefits they have earned, even if they have left Italy.

MATERNITY PAYMENTS

As in all other Community countries, Italian maternity payments are administered under the health insurance program. Payments are available to working wives, or wives, daughters, and sisters of an insured worker. The program covers costs of midwife, maternity fees, and drugs. Benefits are paid over a 14- to 22-week period at 80 percent of the wages of the person insured.

DISABILITY INSURANCE

Administered through regional centers, disability insurance is tied to the old-age-benefits program. Management is similar to the health insurance program: participation of insured workers and employers under the control of the state.

Who is eligible?

All workers must participate in the plan. An invalid is a blue-collar worker who cannot earn a third of his former wages or a white-collar worker who cannot earn more than a half. There is no ceiling on participants' income. Workers must have participated in the plan 5 years before being eligible for benefits.

How is disability insurance financed?

Employers pay the basic contribution—from 0.1 percent to 0.2 percent of the basic wage. Contributions to finance retraining are 15.75 percent of the wage, the employer paying two-thirds of this amount and the employee one-third. This contribution also goes for old-age and survivors benefits. The state pays about 25 percent of the expenses of the fund.

What benefits are given?

The basic pension is slightly more than 20 percent of monthly wages. The adjusted yearly pension is 55 times the basic pension plus one-twelfth. Maximum payable is 80 percent of average wage for past 5 years but there is no ceiling on the wage covered. Ten percent extra is given for each dependent child. Disability insurance provides for retraining for a new job. Payments are adjusted to keep pace with the cost of living.

OLD-AGE PAYMENTS

This system is administered jointly with disability insurance. The benefits are exactly the same for workers who have participated for at least 15 years. Benefits begin at age 60.

SURVIVORS BENEFITS

The ground rules for this program are exactly the same as for disability insurance. Payments (50 percent of old-age benefits) are made to widows, dependent widowers and orphans (30 percent). The maximum total payments cannot exceed 100 percent of the old-age pension.

WORKMEN'S COMPENSATION

Employers contribute on the average 3.7 percent of wages to a fund paying benefits to workers hurt on the job. Most workers are not covered by workmen's compensation—only manual laborers. Maximum annual individual benefits are $720; they are payable in conjunction with other benefits and, in a reduced amount, to dependents upon the death of the insured. Benefits are adjusted in accordance with changes in the cost of living.

FAMILY PAYMENTS

Financed by employers' contributions of 17.5 percent of wages, family benefits provide about $8 a month for each child. Smaller payments are made for dependent spouse and other relatives.

UNEMPLOYMENT COMPENSATION

Employers contribute about 2.4 percent of wages to finance unemployment payments made to eligible worker for 6 months in any year. The state also contributes to the program. A worker must be available for work and have worked at least 2 years. If a worker is laid off or has his hours cut back, he receives reduced payments.

LUXEMBOURG[1]

Luxembourg's social security system covers not only Luxembourgers but others who have come to work there in the steel mills and on public projects. Several thousand Italian workers have an important stake in the social security program of the Community's smallest member. The EEC social policy aims at the harmonization of social benefits throughout the six member countries, and the Luxembourg program will be an important factor in shaping the ultimate Community policy.

WHAT IS THE COVERAGE AND WHO IS COVERED?

Luxembourg, in common with the five other Community countries, provides eight types of social security benefits: Health insurance, maternity payments, disability insurance, old-age payments, survivors benefits, workmen's compensation, family payments, and unemployment compensation. Almost all workers are covered by the general social security program; white-collar workers are eligible for certain special benefits, and civil servants and railroad workers have special programs.

HEALTH INSURANCE

The employers and the insured operate the autonomous health insurance administration under governmental supervision. One-third of the control is exercised by employer representatives and two-thirds by the insured. The Social Security Administration has regional offices as well as offices for each enterprise and an office for self-employed workers. The regional offices supervise the system and collect the contributions. The union of regional offices makes agreements with the national medical organizations governing charges and services.

Who is eligible to participate and under what conditions?

All paid workers and their families, pensioners and the unemployed must be covered. Individuals are eligible for benefits without regard for their income and for the period they worked prior to receiving benefit payments. All dependents for whom a worker receives family payments are eligible for medical benefits. All benefits are paid from the start of the illness with no limit on their duration.

How are health benefits financed?

Unlike Germany, France, and Italy the Luxembourg system provides for contributions for health insurance and maternity payments separate from payments to the general social security fund. Workers contribute 6 percent of their wages and employers 2 percent.

[1] Source: Excerpt from article, "Social Security in the Community: Luxembourg," Labor in the European Community, No. 4, July 1964.

Pensioners pay 2.6 percent of their pensions while the organization paying the pension contributes 1.3 percent. The state finances 50 percent of administrative and personne expenses. The wage base for determining contributions is limited to an amount less than $192 a month.

What doctors and hospitals participate?

All licensed doctors participate in the program, and individuals have a free choice among them. Fees are determined through agreements between the union of regional social security offices and the national medical association. In case of dispute over fees, the final decision rests with an arbitration panel set up by the Government. Individuals also have a free choice of hospitals whose services are rendered without fee to blue-collar workers. Others must pay rates set in the same way as doctors' fees.

What special health benefits are covered?

Payments of sanitarium fees are made on the same basis as hospitalization benefits. If the administration gives its approval in advance, the cost of cures may be paid. Benefits are also paid for most dental care. Allowances are made for payments on prosthetic devices, and most prescriptions cost the insured no more than 25 percent on the total charge.

What cash payments are made to individuals receiving health benefits?

After 2 days of illness, all workers are eligible for as much as 6 months of cash payments. These payments may be continued an additional 3 months if the individual is expected to recover in this period. If he is not hospitalized, the worker may receive up to 75 percent of his wages. He may receive from 50 to 70 percent if he is hospitalized, depending on the size of his family.

Are payments made to foreigners?

Foreign workers and their families in Luxembourg are entitled to the same benefits as Luxembourg workers. Workers from Common Market countries receive benefits they have earned, even if they have left Luxembourg.

MATERNITY PAYMENTS

The program covers the costs of midwife and maternity fees. Payments are made to working wives or the wives of insured workers. Cash benefits are also paid for a 24-week period at from 50 to 75 percent of a working wife's salary. For nonworking wives, the cash benefits cannot exceed 25 percent of the maternity expenses.

DISABILITY INSURANCE

As in other Community countries, disability insurance is tied to the old-age benefits program. Management is under the control of an equal number of representatives of employers and employees.

Who is eligible?

All workers must participate in the program. An invalid is defined as a blue-collar worker who cannot earn one-third of his former wages or a white-collar worker who is unable to perform the same or similar job as he did before the illness or accident. Blue-collar workers must have participated in the plan 1,350 days and white-collar workers 60 months before they are eligible for benefits.

How is disability insurance financed?

Workers and employers contribute equally to the program; the state guarantees the workers' contributions. The maximum wage base used is an annual salary of $3,773. Contributions equaling 10 percent of wages also contribute to financing the old-age and survivors insurance. The state pays part of the workers' and employers' contributions as well as more than 50 percent of the administrative expenses.

What benefits are given?

The pension is composed of two parts: a basic amount of $300 a year and a supplementary amount set in proportion to the total amount of payments made to the fund. The pension cannot be less than $540 a year, and it may be combined with benefits received under other social security plans. An additional amount is paid for each child. The program provides for retraining for a new job and cost-of-living adjustments.

OLD-AGE PAYMENTS

This program is administered in the same way as disability insurance and the same benefits are paid. A worker must have participated for as much as 180 months before he is eligible for benefits. Payments usually begin at age 65, but may start earlier.

SURVIVORS BENEFITS

Payments (two-thirds of the basic old-age disability payments and 50 to 60 per cent of the supplement) are made to widows, dependent widowers and orphans (one-third and 20 percent in addition to family payments). The maximum total benefits cannot exceed 100 percent of the old-age pension.

WORKMEN'S COMPENSATION

A national insurance organization, in which employers and employees are equally represented, determines the rate of contributions made by the employers. For the first 13 weeks, a worker can receive 75 percent of his salary. Afterward, when the percentage of disability is fixed, he may receive as much as 100 percent of his former salary. The payments continue even if the worker finds a new job. Cost-of-living adjustments are made in the benefits.

FAMILY PAYMENTS

Employers contribute from 2.5 to 4.46 percent of salaries to finance payments given for each child. The state contributes after the third child. Benefits provide $9.62 a month for each child.

UNEMPLOYMENT COMPENSATION

The state contributes 75 percent and the commune 25 percent of unemployment payments which are made to eligible workers for 26 weeks in any year. A worker must remain available for work and must have worked 200 days in the preceding year. Payments equal 60 percent of the base wage.

THE NETHERLANDS [1]

WHAT IS THE COVERAGE AND WHO IS COVERED?

In the Netherlands and in the five other Community countries, eight types of social benefits are provided: Health insurance, maternity payments, disability insurance, old-age payments, survivors benefits, workmen's compensation, family payments, and unemployment compensation. The Dutch general social security plan described here covers most workers. There are special programs for miners, civil servants, and railroad workers.

HEALTH INSURANCE

Medical care insurance is provided by mutual insurance companies, funds administered by the insured and the doctors, funds maintained by life insurance companies and similar agencies. For cash payment benefits, 26 professional associations provide coverage. The medical care insurance programs are managed through a National Council of Insurance Funds, and the professional associations have created a common administrative management office. This office also handles those sectors not directly covered by the professional associations.

Who is eligible to participate and under what conditions?

All workers receiving a salary, their families, pensioners, and the unemployed are eligible for coverage. There is no minimum period of work required for eligibility, but a worker must be registered with the health insurance fund. The highest income permitted for a worker to participate in the program is $2,209 a year. Benefits are paid from the onset of illness for an unlimited period. Hospital benefits paid under this program are limited to 70 days. More prolonged hospital coverage is made available to about 90 percent of those covered.

How are health benefits financed?

The Dutch system provides for separate payments for each kind of social insurance. For medical care benefits, employers and employees contribute equally an amount totaling 4.8 percent of wages. Cash payments are also financed by employers (0.5 to 6.5 percent) and employees (0.5 to 1 percent). Communes contribute for certain categories of unemployed workers. The State makes no contribution to the program. The wage base for determining contributions may be no higher than $158.40 per month.

What doctors and hospitals participate?

The insured person has a free choice of doctors from among those belonging to the health insurance program. The individual is reim-

[1] Source: Excerpt from article, "Social Security in the Community: Netherlands," Labor in the European Community, No. 6, December 1964.

bursed directly for the doctor's fees. Any hospital near the worker's home and having contract with the insurance fund may be chosen. All expenses are covered by the health insurance fund.

What special health benefits are covered?

Three-quarters of the expenses of antitubercular sanitariums are paid. Dental work including orthodontia is completely covered, and individuals are required to have dental examinations every 6 months. Prescriptions are paid for directly by the fund. Allowances are made for prosthetic, optical, and acoustical devices.

What cash payments are made to individuals receiving health benefits?

Workers unable to work because of illness may receive as much as 80 percent of their salary (daily maximum base salary is about $8) for a 12-month period if they are not hospitalized. Those receiving hospitalization benefits receive from 27 to 80 percent of their base salary, depending upon the size of their family. Benefits extend for 3 years to tuberculosis patients.

Are benefits available to foreigners?

All foreign workers in the Netherlands receive the same benefits as Dutch workers. Outside the country, workers from EEC countries and those from other countries (having concluded special agreements with the Netherlands) receive benefits they have earned there.

MATERNITY PAYMENTS

The health insurance program provides benefits to insured women and wives and daughters of insured workers. Midwife expenses of insured women are paid, and they receive 12 weeks of full salary payments. Wives and daughters of insured workers get a maternity allowance of $15.12.

DISABILITY INSURANCE

The disability program is tied to the old-age benefits program in the Netherlands and in all other Community countries except Belgium.

Who is eligible?

All workers less than 35 years old and earning less than approximately $2,000 a year must take part in the program. The maximum salary a participant may have is about $2,900. A worker who cannot earn more than one-third his normal salary in his usual job for whom contributions have been made for 150 weeks is eligible for benefits.

How is disability insurance financed?

The employer is the sole contributor. A single contribution of approximately 15 to 17 cents per worker each week covers benefits for old-age, survivors, and disability benefits.

What benefits are given?

The annual pension includes a basic amount equal to 260 times the total contributions divided by the number of weeks of coverage. An additional amount of up to 20 percent of the base amount is provided; for those receiving an annuity and younger than 65, the additional amount is 290 percent of the base figure. Additional payments are also made if the beneficiary has children. These benefits may be combined with those under other social security programs.

A disabled worker may receive job retraining under the disability insurance program and his benefits are increased in line with the cost of living.

OLD-AGE PAYMENTS

Governmental worker and employer representatives take part in the management of this program. The employer is the sole contributor for benefits for salaried workers (tied to disability insurance); the maximum salary for a participant is $2,279 per year. Under the general old-age insurance plan, individuals contribute 5.75 percent of income. The state makes up any deficit in the old-age disability program. Men and women are eligible for benefits at 65; payments are the same as those for disability except there is no provision for annuity recipients. Participants in the general program receive a fixed amount per year depending upon the number of years they have been covered. Additional payments are made if the recipient has children, and payments are adjusted according to the cost-of-living index.

SURVIVORS BENEFITS

Widows raising children and those over 50 (general old-age plan) or 60 (old-age disability plan) may receive as much as 100 percent of the insured worker's annuity as survivors benefits.

WORKMEN'S COMPENSATION

Employers may provide coverage themselves or through the social security bank or a commercial insurance company. The social security bank determines the degree of disability. The base salary (maximum, $8 per day) multiplied by the degree of incapacity, in turn multiplied by as much as 80 percent, yields the amount of the benefits. These benefits may be added to any salary earned or other pensions. Benefits are also paid, at a lower rate, to widows and orphans. Job retraining is part of the program as are cost-of-living adjustments in benefits.

FAMILY PAYMENTS

An employer's contribution of 4.9 percent of the base salary (not exceeding $8 per day) finances family payments. The payments for one child are $5.14 a month, but the amount for each additional child is greater.

UNEMPLOYMENT COMPENSATION

Employers, employees, and the state contribute to unemployment compensation, which is paid to workers who are available for work. Payments last 174 days per year and equal 70 to 80 percent of base pay. Family allowances may be paid at the same time.

SWEDEN [1]

In Sweden there are eight types of social security benefits: health insurance, maternity payments, disability insurance, old-age payments, survivors benefits, work-injury insurance, family allowances, and unemployment insurance. Almost all residents are covered under the same general social security programs. Employees of the national government, however, have their own special pension system.

HEALTH INSURANCE

The Swedish health insurance program is operated by the National Social Insurance Board, working through regional offices as well as hospital staffs and personnel, municipal councils' offices, and public assistance committees. Policymaking and administrative personnel do not include employer and employee representatives, but are public officers at national and regional levels. Contributions of the insured persons are collected by the tax authorities with the income tax. Physicians' fees, hospital fees, and cash sickness benefits are all paid out by the regional social insurance offices, except for such part of medical costs as the individual himself pays.

Who is eligible to participate and under what conditions?

All residents are eligible to participate in the medical benefits program. For medical care, persons over age 16 must register with the National Health Insurance System; children under 16 are covered by their parents' affiliation. For cash benefits, gainfully occupied persons earning $350 a year or more, and most housewives, are eligible to participate and to obtain payments when disabled by illness. Medical care, including hospitalization, is given from the onset of illness and without time limit. In case of physician's services, the benefit consists of payment by the regional social insurance office of three-fourths of the doctor's fees as listed in published fee schedules. In case of hospital care, the benefit is equivalent to the fee charged for treatment in the public ward of the local hospital. Persons age 67 or in receipt of an old-age or full retirement pension receive hospital care only for a maximum of 180 days. Insurance pays for a patient's necessary traveling expenses and for three-fourths of physician's necessary travel costs. Cash sickness benefits are paid after a 3-day waiting period with no limit on their duration. The amount varies from 45 cents to $5.40 a day, according to the individual's income group and the level of his contributions.

How are health benefits financed?

The Swedish system levies for health insurance contributions that are separate and distinct from the financing of other social services.

[1] Source: Prepared by the Division of Research and Statistics of the Social Security Administration, Department of Health, Education, and Welfare.

There is also a difference between insurance for medical services only and for both medical and cash benefits combined. The individual's premiums or contributions cover about half the cost of sickness and maternity insurance, and the employer and Government each meet about one-fourth. The insured person's premium is a flat amount, varying with regional differences and likewise with the wage or salary level of employed persons. If his income is under $460 a year, or if he is a pensioner, there is no contribution. The employer pays 1.5 percent of payroll for wages and salaries not exceeding $4,250 a year. The Government pays 50 percent of the cost of the basic cash benefit, the refunds on doctors' fees, the maternity grants, and part of the costs of medicines. Most hospital costs are likewise met by the Government, as well as the contributions in the case of persons excused from paying the premiums themselves because of their low incomes.

What doctors and hospitals participate?

All doctors participate in the program, and individuals have a free choice among them. The schedule of fees which form the basis for the insurance reimbursement is approved by the Government after negotiation with the Swedish Medical Association. If the approved rates are suspended, the patient pays more than the statutory one-fourth of the fee. Nearly all hospitals are public hospitals, and all of the latter participate in the health insurance program.

What special health benefits are covered?

Treatment is provided at reduced fees in state or municipal sanatoriums for tuberculosis, mental illness, and certain protracted physical maladies like rheumatism. A means test may be invoked before reducing fees for the foregoing and for nursing homes. Free service by the district nurse may be available in one's own home if this does not prevent the nurse from doing her public-health work. Children of school age receive free dental care, but this is not yet generally available for adults, though accepted in principle. Prescriptions are free for some medicines; for most other pharmaceutical preparations, the insured person pays the first 60 cents and pays one-half the remainder.

What cash payments are made to individuals receiving health benefits?

After 3 days of illness, all wage and salary earners are entitled to cash payments by reason of inability to work for the duration of the illness. Persons whose income is from self-employment may elect a waiting period of 3, 33, or 93 days, but like other insured persons there is no limit on the duration of the benefit. If a recipient is hospitalized, the cash allowance is reduced by approximately $1 per day, but never reduced to less than half the normal sickness benefit.

Are payments made to foreigners?

Foreign workers, and foreign residents who are registered for census purposes in Sweden, are entitled to the same benefits as Swedes.

MATERNITY PAYMENTS

Maternity payments are made to mothers covered by the program, which includes practically all mothers. Whether working or not, every mother receives a maternity allowance of $175 at childbirth. An employed mother earning $500 a year or more and having 270 days of sickness insurance coverage before confinement receives from 20 cents to $5.50 a day, according to 15 income classes, payable for 180 days. Various types of maternity care are provided before, during, and after childbirth, mainly by trained midwives, but including consultation on abortion, birth control, and other aspects of pregnancy, as well as dental services (three-fourths of cost being paid), prophylactic medicines, and child welfare clinics.

DISABILITY INSURANCE

Disability insurance is linked with old-age insurance in two separate pension programs—one providing universal pensions and one supplementary pensions. The Ministry of Social Affairs has general supervision of both programs, while the National Social Insurance Board is the national administrative agency; the latter works through regional and local bodies.

Who is eligible?

For universal disability pensions, all resident citizens as well as aliens covered by reciprocity agreements are covered. For supplementary invalidity pensions, employed and self-employed persons earning more than a base amount ($925) are covered (the self-employed may choose not to be covered). The worker must be five-sixths disabled for full benefit under both programs, or one-third disabled if he is to be entitled to a partial pension. For a universal pension, no contribution or income test is imposed; for a supplementary invalidity pension, a worker must have been in covered employment for 3 years (aliens, 5 years).

How is disability insurance financed?

Sweden has two distinct types of pension financing, corresponding to the two different programs. For universal pensions (including old-age and widows' pensions), all Swedish taxpayers age 18 to 65 pay 4 percent of income but not more than $115 a year. The Government pays about 70 percent of the cost of universal pensions from general revenue. The employer pays nothing. For the supplementary pension program, employers pay the entire contribution, at the rate of 7 percent of the wage or salary of each employee between the base amount and 7½ times that amount—this is currently between $925 and $6,950 per year. The Government and the employee pay nothing for the supplementary pension.

What benefits are given?

The universal invalidity pension is currently $772 a year for one person and $1,210 for a couple. Additional payments are also made if a beneficiary has children under age 16. Subject to an income test, there is also a housing supplement. Supplementary invalidity pensions equal the years of coverage multiplied by 3 percent of average earnings between the basic amount and 7½ times that amount. The maximum pension is 60 percent of earnings. For partial disability, the benefit is either one-third or two-thirds of full pension, according to the degree of disability. Under both programs benefits are adjusted automatically with changes in the cost of living.

OLD-AGE PAYMENTS

Old-age benefits are provided under the same two systems as disability insurance. The normal pensionable age is 67 for both universal and supplementary pensions. Under both systems, if a person decides to delay receiving a pension after age 67, the pension is augmented by 0.6 percent of the pension per month it is deferred to age 70. Old-age benefits are also adjusted in accordance with changes in the cost of living.

SURVIVORS BENEFITS

The provisions for these benefits are the same as for disability pensions under the universal pension system. Under the supplementary system, payments to widows are 40 percent of the pension of the insured; for half orphans the rate is 15 percent for the first and 10 percent for each additional orphan.

WORKMEN'S COMPENSATION

The work-injury insurance system is closely integrated with health insurance, with the same supervisory and administrative agencies, as well as the same cash and medical short-term benefits. All employees are covered. The maximum pension is $2,125 a year. This may be augmented by payments for a nurse's or attendant's charges. Family allowances continue while work-injury benefits are paid. Benefits are continued, at a reduced rate, for surviving widows and orphans. Job retraining is provided and employers are required to make jobs available to disabled workers. Benefits are adjusted in accordance with changes in the cost of living.

FAMILY PAYMENTS

Financed entirely by the Government from general revenue, family payments provide about $175 a year for each child under age 16, including the first. For students aged 16 to 18, the amount is increased.

UNEMPLOYMENT COMPENSATION

The Government contributes about two-thirds of the cost of unemployment insurance, and the insured members meet about one-third of the cost through their contributions to subsidized trade union unemployment funds which make payments to eligible workers for up to 26 weeks when they are unemployed. A worker must remain available for work and must have paid 52 weeks of contribution, with at least 20 in the last 12 months, in order to qualify. Benefits vary among the funds, with a maximum of $7.70 a day plus 40 cents a day for each dependent.

THE UNITED KINGDOM[1]

In the United Kingdom there are eight types of social security benefits: Health services under the National Health Service, sickness benefits including permanent disability benefits, maternity payments, old-age payments, survivors benefits, industrial injuries (or workmen's compensation) insurance, family payments, and unemployment benefits.

NATIONAL HEALTH SERVICE

Medical care is provided in Britain under the National Health Service as a free public service and not as part of its social insurance program. All residents, including foreigners, are eligible for health services, which are provided without special qualifying conditions. General practitioner care, specialist services, hospitalization, maternity care, and treatment in event of industrial injuries are given by the Service, as well as certain other health benefits noted herein.

How are health benefits financed?

The Government pays for about 80 percent of the cost of the National Health Service from general revenue. The employee and employer pay weekly contributions that meet about four-fifths and one-fifth, respectively, of the remaining 20 percent of the cost.

What doctors and hospitals participate?

Almost all doctors participate through agreeing to accept patients at an annual fixed fee per patient electing to make use of their services (capitation system). Hospitals belong to the Government, and almost without exception are available to patients of the National Health Service. The patient has a choice of doctors in his area.

What special health benefits are covered?

Prescribed medicines are free. Dental services and appliances, eyeglasses, hearing aids, and other appliances are supplied through the National Health Service, but with some cost sharing on the part of the patient. There is, however, no charge for dental services to children or to expectant or recent mothers.

SICKNESS BENEFITS, INCLUDING PAYMENTS FOR PERMANENT DISABILITY

Who is eligible to participate and under what conditions?

Virtually all employed and self-employed persons are covered for cash benefits under the national insurance program, which is a unified system of social security under a single law and administrative agency. There are two major exceptions to compulsory affiliation—housewives and self-employed persons earning not more than $680 a year may insure or not insure as they choose. Workers must have paid 26

[1] Source: Prepared by the Division of Research and Statistics of the Social Security Administration, Department of Health, Education, and Welfare.

weekly contributions, and must have an average of 50 weeks of contribution paid or credited in the last year, in order to receive cash sickness benefits.

How is cash sickness insurance financed?

Workers and employers contribute to the entire national insurance program at the rate of $1.34 and $1.60 a week, respectively. The Government pays about a third of the cost. Contributions are somewhat smaller in the case of women employees and young persons than for adult males. The contributions also help finance old-age and survivors insurance as well as cash maternity and unemployment benefits.

What cash payments are made to insured persons receiving health benefits?

After 3 days of illness an insured worker is eligible for cash benefits. The amount is $11.20 a week whether disability is temporary or permanent, plus $7 for one dependent adult, $3.15 for the first child, and $2.05 weekly for each additional child. There is no limit on the maximum duration of sickness benefits for all workers who have paid at least 156 weekly contributions. Thus, for persons who become permanently disabled, the continuing cash sickness benefit in effect serves as a permanent disability benefit.

Are payments made to foreigners?

There is no difference in the treatment of foreign workers and British employees.

MATERNITY PAYMENTS

The national insurance program provides cash maternity benefits to eligible working women in the form of weekly payments at the same rate as most other cash benefits—$11.20 weekly, plus supplements for dependents—for up to 11 weeks before and 7 weeks after confinement. It also provides to all covered women workers, as well as to wives of insured male employees, a lump-sum grant of $62. In addition to the cash payments described above, all mothers normally receive free maternity care under the National Health Service.

OLD-AGE PAYMENTS

There is both a flat-rate old-age pension and a graduated old-age pension. The former, established in 1925, is identical in most respects in amount and financing with cash sickness benefits. The graduated old-age pension is intended as a supplement for higher paid workers for whom the flat-rate pensions would be obviously inadequate. The employer and the employee pay 4½ percent each of the weekly earnings of the latter between $25.20 and $50.40. An employer that prefers to "contract out" and maintain his own supplementary retirement plan may do so. Such procedure is subject to various safeguards, among which is a contribution by both employer and employee of about 35 cents a week to the general insurance program to help guarantee payments. The supplementary old-age pension consists of a small weekly amount for every "block" of $21 in graduated contributions paid during a worker's entire period of coverage. All old-age payments normally begin at age 65 for men and 60 for women, with retirement required during the first 5 years.

SURVIVORS BENEFITS

Under the national insurance program, the benefit of an older widow—if she was age 50 when her husband died—is the same as the cash sickness benefit for a single man or the single person's retirement pension. It is increased for each dependent orphan in her care. There is also a temporary widow's benefit of $15.75 weekly paid to all widows regardless of age for a period of 13 weeks. After 13 weeks, a widow who has dependent children or who is over age 50 receives the normal pension of about $11 weekly.

WORKMEN'S COMPENSATION

Insurance against industrial injuries is under the same administration as is the national insurance program, but it has a somewhat higher benefit structure. For temporary disablement and total permanent disability, the benefit rate is $19 a week. Supplements for "unemployability" (for a permanently injured person) and for constant nursing or other attendance may more than double this figure. Partial disability payments start at the rate of $3.10 weekly. Survivor benefits under this program are usually the same as ordinary survivor benefits. The costs of industrial injuries insurance are met from contributions from employers, insured workers, and the Government.

FAMILY PAYMENTS

The Government pays the full cost of family allowances from general revenue. For the second child in the family an allowance of $1.10 a week is paid; for the third and each other child, the benefit is $1.40 weekly.

UNEMPLOYMENT COMPENSATION

As part of national insurance, unemployment benefits are paid at the same flat weekly rate as is paid to pensioners or sick employees, and the same supplements are paid for dependents. Likewise, the cost of the program is met by the threefold contribution by the insured, the employer, and the Government.

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ANALYSIS OF THE SOCIAL SECURITY SYSTEM OF THE UNITED STATES

PUBLIC SOCIAL SECURITY PROGRAMS IN THE UNITED STATES

Old-Age, Survivors, and Disability Insurance

The national old-age, survivors, and disability insurance (OASDI) program, administered by the Federal Government, is the basic method in the United States for providing income to the worker and his family when he retires, becomes disabled, or dies. At the beginning of 1965, about 94 million people were insured. The total number of people receiving monthly benefits is now nearly 20 million. Benefits total almost $16 billion a year.

COVERAGE

The old-age, survivors, and disability insurance program today approaches universal coverage. The system covers all workers, whether wage earners, salaried employees, self-employed persons, farm workers, or farm operators, including those workers with high earnings. Nearly all work performed by citizens and noncitizens, regardless of age or sex, is covered if performed within the United States (which for social security purposes includes American Samoa, Guam, Puerto Rico, and the Virgin Islands). In addition, the program covers certain work performed outside the United States by American citizens who are (1) employed by an American employer, (2) employed by a foreign subsidiary of an American corporation (by election of the American corporation), or (3) self-employed, under certain circumstances. Also covered (irrespective of the citizenship of the employee), under certain conditions, is employment on American ships and aircraft outside the United States.

The majority of workers excluded from coverage under the program by the Social Security Act fall into three major categories: (1) Workers covered under Federal civilian staff retirement sytems; (2) household workers and farm workers who have earnings which do not meet certain minimum requirements (workers in industry and commerce are covered regardless of regularity of employment or earnings); and (3) persons with very low net earnings from self-employment. The remaining few excluded from coverage are in a variety of very small employment groups. An example is certain nonresident, nonimmigrant aliens temporarily in the United States when the services they perform are to carry out the purposes for which they are admitted, such as teaching, studying, or conducting research.

Employees of State and local governments are covered under voluntary agreements between the States and the Secretary of Health, Education, and Welfare. Each State decides whether it will negotiate an agreement and, subject to special conditions which apply to retirement system members, what groups of eligible employees will be covered. Coverage or employment by States and their political subdivisions was not made compulsory because of problems relating to Federal-State relationships that would be raised by any law that would levy a tax on the governmental functions of States and localities. At present, more than three-fifths of all State and local employees have been brought under coverage.

Special arrangements were also adopted in making coverage available to employees of nonprofit organizations operated exclusively for religious, charitable, scientific, literary, or educational purposes. Such organizations are traditionally exempt from taxation. To get coverage for its employees such an organization must waive its exemption from taxes under the program. When this is done, all current employees who elect coverage and all employees hired or reemployed in the future are covered. Almost all employees of nonprofit organizations who are eligible for coverage are now covered.

Ministers, members of religious orders, and Christian Science practitioners who have not taken a vow of poverty may obtain coverage as self-employed persons by waiving, within a limited period, their exemption from the payment of social security taxes. Once made, such an election of coverage is irrevocable. A minister is treated as self-employed even though, in fact, he may be exercising his ministry as an employee.

ELIGIBILITY FOR BENEFITS

Benefits are paid as a statutory right, without regard to need and no matter how much property or nonwork income the individual may have or continues to receive. To qualify for benefit payments for himself and his dependents or survivors, a worker must have demonstrated his attachment to the labor force by a specified amount of work in covered employment or self-employment. The amount of covered work required is, generally speaking, related to the length of time a person could be expected to have worked under the program. In the long run, a person will need to have worked in covered jobs for at least 10 years to qualify for retirement benefits.

The period of time a person must have spent in covered work to be insured for benefits is measured in "quarters of coverage." A person paid $50 or more of covered nonfarm wages in a calendar quarter is credited with a quarter of coverage. Wages of $4,800 ($6,600 beginning January 1, 1966)—the maximum amount that may be taxed and credited in a year—result in four quarters of coverage without regard to when in the year the wages were paid. A person paid $100 or more of covered farm wages in a year is credited with one quarter of coverage for each full $100 of such wages ($400 or more of such wages result in four quarters of coverage). A person with self-employment income of $400 or more in a year gets four quarters of coverage for the year.

For most types of benefits to be payable, the worker must be "fully insured." In general, a fully insured person is one who has at least as many quarters of coverage (acquired at any time since the program began) as the number of years elapsing after 1950 (or, if later, the year of attainment of age 21) and up to the year of attainment of age 65 (62 for women), disability, or death, whichever happens first. In all cases at least six quarters of coverage are required. Certain benefits can be paid if the worker is "currently insured" even though he is not fully insured, and for some types of benefits to be payable, the worker must be both fully and currently insured. A currently insured person is one who has acquired six quarters of coverage within the 13-calendar-quarter period ending with the quarter of death, most recent entitlement to disability benefits, or entitlement to retirement benefits. To be insured for disability benefits, a worker must be fully insured and he must have worked in covered employment for at least 5 of the last 10 years before the onset of disability, or, if disabled by blindness before age 31, in one-half of the quarters since age 21 with a minimum of six.

Retirement test.—The law provides that a beneficiary who has substantial amounts of earnings from work will have some or all benefits withheld, depending on the amount of his earnings and how many months he works, and that benefits will also be withheld from a person getting dependent's benefits if the worker on whose account he is eligible for benefits has substantial income from work. This provision, which is generally called the retirement test, is included in the law to assure that benefits will be paid to a worker only when he has substantially retired and to the dependents and survivors of a worker only when they do not have substantial earnings from work.

Beginning in 1966, a beneficiary whose earnings do not exceed $1,500 a year gets all benefits for the year. If he earns above $1,500 in a year, $1 in benefits will be withheld for each $2 of earnings between $1,500 and $2,700, and $1 in benefits will be withheld for each $1 of earnings thereafter. Benefits will be payable, though, regardless of annual earnings for any month in which the beneficiary earns $125 or less as an employee and in which he renders no substantial services in self-employment. Benefits are also payable to beneficiaries after they reach age 72 regardless of their earnings.

Disability requirements.—Under the disability provisions of the law, disability is defined as "inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months." A determination of disability is made on the basis of the medical facts in the individual case and after evaluation of the extent of the handicap that the disability imposes on the applicant, considering his age, education, and training. The applicant must present medical evidence establishing the existence, extent, and duration of the disability.

Determinations of disability are generally made by State agencies (usually the State vocational rehabilitation agencies) under agreements between the States, and the Department of Health, Education, and Welfare of the Federal Government. Decisions are reviewed by the Social Security Administration. Applicants are referred to State vocational rehabilitation agencies in order to encourage participation in Federal-State rehabilitation programs. The State agencies are reimbursed from the OASDI trust funds for vocational rehabilitation services provided to disability beneficiaries. Disability benefits are not payable to anyone who without good cause refuses vocational rehabilitation services which have been made available to him. To further encourage rehabilitation, a disabled person who has not recovered but who returns to work is allowed a 9-month (not necessarily consecutive) trial-work period during which his benefits are continued, and 3 additional months' benefits beginning with the month in which he does recover.

TYPES AND AMOUNTS OF BENEFITS

Monthly old-age insurance benefits are payable at age 62 to a retired insured person and to the wife or dependent husband of a retired worker; benefits are payable to the wife of a retired worker at any age if she has in her care a child entitled to child's benefits. Child's benefits are paid to the retired worker's unmarried child under age 18, regardless of age if the child has been totally disabled since before age 18, or until age 22 if the child is attending school.

Monthly survivor benefits are payable to a widow at age 60, or at any age if she has a child in her care entitled to child's benefits; to unmarried children under age 18, at any age if the child has been totally disabled since before age 18, or until age 22 if the child is attending school; to a dependent parent at age 62; and to a dependent widower age 62. A lump sum benefit is also payable on the death of an insured worker to help defray funeral costs.

Unreduced monthly benefits are payable to widows, widowers, and dependent parents age 62 or over, but benefits to retired workers and wives (unless a wife has a child in her care) or dependent husbands who choose to take them before age 65 are in actuarily reduced amounts which will continue to be paid throughout the period of entitlement.

Monthly disability benefits are payable to a worker under age 65 who is unable to engage in any substantial gainful work because of medically determinable physical or mental impairment that can be expected to continue for a long and indefinite period or to result in death. Benefits are payable monthly after the sixth full month of disability. Benefits for the dependents of a disabled worker are payable under the same conditions as for dependents of retired workers.

Benefits are based on the worker's average monthly earnings as computed under the law. The amount of the worker's average monthly earnings for this purpose is affected by the worker's level of earnings (up to the maximum creditable in a year) and, over the long run, the proportion of his potential working lifetime that he spent in covered employment. The worker with low earnings gets a larger benefit in relation to his earnings than the higher paid worker, and dependents' and survivors' protection is provided without additional cost to the worker with dependents.

For the great majority of workers retiring now, and for all workers who will become eligible for benefits under the mature program, average monthly earnings are computed over a specified number of years after 1950 or after the year of attainment of age 21 if later. In computing the average, the 5 years of lowest earnings are omitted. In the relatively few cases in which a worker's average earnings in the period before 1951 combined with his subsequent earnings produce a larger benefit than his average earnings after 1950, January 1, 1937, is used as the starting date for the computation instead of January 1, 1951. In computing average monthly earnings for disability benefits, the disabled person is considered, for purposes of the computation, to have attained age 65 (age 62 if a woman) in the month in which he became disabled.

All benefits are related to the primary insurance amount, which is the amount paid to a retiring worker at or after age 65 and to a disabled worker. A table in the law specifies a primary insurance amount for each average monthly earnings bracket, the primary insurance amounts being approximately equal to 62.97 percent of the first $110 of the average monthly wage plus 22.9 percent of the next $290 of the average monthly wage plus 21.4 percent of the remainder. The minimum primary insurance amount is $44 ($35 under certain transitional provisions); the possible maximum now is $135.90 and will eventually be $165.

Benefits for dependents and survivors are calculated as a percentage of the insured person's primary insurance amount (50 percent for dependents, 75 percent for survivors under age 62, and, with several exceptions, 82½ percent for survivors age 62 and over). The ceiling on total benefits payable to a family is $254 or 80 percent of the average monthly wage, whichever is less. In no case, though, is the total family benefit less than 1½ times the primary insurance amount. After 1965 a disabled worker may have his disability benefit reduced to some extent if he is also receiving a periodic workmen's compensation benefit.

FINANCING

The OASDI program is self-supporting since the benefits and costs are financed from the social security taxes paid by employees, employers, and self-employed people. For a time during the 1940's, the law included authorization to appropriate from general revenues any additional money that might be needed to finance the benefits, but additional money never was needed. All contributions go into federally administered funds from which all benefits are paid. No participation of private insurance companies or private pension plans is permitted in the underwriting of the basic risk.

Beginning in 1966, employees and self-employed people will pay taxes on their annual earnings up to $6,600 and each employer will pay social security taxes on the first $6,600 paid to each of his employees in the year. (If the employee has more than one employer during the year and pays taxes on total wages of more than $6,600 he can get a refund of the tax on wages over $6,600 when he files his income tax return.) The self-employed with net earnings of at least $400 or more in a year are taxed at approximately 1½ times the rate for employees on net earnings up to $6,600. When a person has both taxable wages and earnings from self-employment in a year, only as much of the self-employment income as will bring total earnings up to $6,600 is subject to social security taxes and counted toward his benefits. The contribution rates are scheduled to increase gradually from the present 3.625 percent each for the employee and his employer and 5.4 percent for the self-employed until, in 1973, they reach 4.85 percent each for the employee and his employer and 7 percent for the self-employed.

All contributions are deposited in two trust funds—a small portion in the Federal disability insurance trust fund, and the balance in the Federal old-age and survivors insurance trust fund. A board of trustees, which by law is composed of the Secretary of Treasury as managing trustee, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, is responsible for holding the trust funds and for making periodic reports to the Congress. The money received by the trust funds is used only to pay benefits and the operating expenses of the program. Money not needed currently for these purposes is invested in interest bearing securities of the U.S. Government.

The law provides for the periodic appointment of advisory councils on social security financing for the purpose of reviewing the status of the trust funds in relation to the long-term commitments of the program.

ADMINISTRATION

The Secretary of Health, Education, and Welfare is responsible for all aspects of the old-age, survivors, and disability insurance program except: (1) The collection of social security taxes (which is performed mainly by the Internal Revenue Service under the direction of the Secretary of the Treasury), (2) the preparation and mailing of benefits checks (which is performed by the Department of the Treasury), and (3) the management of the trust funds (which is performed by the Secretary of the Treasury as managing trustee). The Social Security Administration, a constituent unit of the Department of Health, Education, and Welfare, headed by the Commissioner of Social Security, administers the program.

Coordination with the railroad retirement system.—The railroad retirement system, which became generally effective on January 1, 1937, is designed to provide old-age, disability (occupational or total), and death benefits for long-term railroad employees and their families.

Since the 1951 amendments to the Railroad Retirement Act, the program has provided monthly benefits only if the worker has had 10 or more years of railroad employment. If the worker has less than 10 years of railroad service, his employment records under the railroad retirement and the old-age, survivors, and disability insurance systems are combined and benefits are paid by the old-age survivors and disability insurance system. In survivor cases in which the worker had 10 or more years of railroad employment, employment records under both systems are combined and the benefits are usually paid by the system under which the employee last worked. In retirement and disability cases in which the worker has a total of 10 or more years of railroad employment, there is no combining of employment records; if he has sufficient credits and meets all the other requirements he may qualify for disability or retirement benefits under both programs.

Unemployment Insurance

The first unemployment insurance law in the United States was passed by Wisconsin in 1932, but it did not begin benefit payments until July 1936, a year after the Social Security Act became law. The Federal Act provided an inducement to the States to enact unemployment insurance laws by levying a uniform national tax on the payrolls of industrial and commercial employers of eight or more workers in at least 20 weeks of the year (later reduced to four or more workers, still in 20 weeks). Employers who paid a tax to a State with an approved unemployment insurance law could credit (offset) the State tax against the national tax up to 90 percent of the Federal levy. Thus, employers in States without an unemployment insurance law would not have an advantage in competing with similar businesses in

States with such a law, since they would still be subject to the Federal payroll tax. Furthermore, their employees would not be eligible for benefits.

In addition, Congress authorized grants to States to meet the full cost of administering the State systems. By July 1937, all 48 States, the territories of Alaska and Hawaii, and the District of Columbia had passed unemployment insurance laws. Puerto Rico much later adopted its own unemployment insurance program which was incorporated into the Federal-State system in 1961.

Federal laws provide that a State unemployment insurance program has to meet certain Federal requirements in law and administration if employers are to get their offset against the Federal tax and if the State is to receive Federal grants for administration. These requirements are intended to assure that a State participating in the program has a sound and genuine unemployment insurance system, fairly administered and financially secure.

One of these requirements is that all contributions collected under the State laws must be deposited in the unemployment trust fund in the U.S. Treasury. The fund is invested as a whole, but each State has a separate account to which its deposits and its share of interest on investments are credited. The State may withdraw money from the account at any time but only to pay benefits. Thus, unlike the situation in the majority of States having workmen's compensation and temporary disability insurance laws, unemployment insurance benefits are paid exclusively through a public fund. No private plans can be substituted for the State plan.

Aside from certain broad Federal standards regarding the financing and administration of the law, each State has responsibility for the content and development of its unemployment insurance law. The State itself decides what the coverage and contribution rates shall be, what the eligibility requirements and disqualification provisions shall be (except for certain Federal limits designed to protect labor standards) and what amount and duration of benefits shall be paid. The States also directly administer the laws—collecting contributions, maintaining wage records, taking claims, determining eligibility, and paying benefits to unemployed workers.

COVERAGE

Generally coverage is limited to the employment covered by the Federal Unemployment Tax Act, which relates primarily to industrial and commercial workers in private industry. Excluded from the Federal act are agricultural workers, family workers, domestic servants in private homes, the self-employed, State and local government employees, and most employees of nonprofit organizations operated for religious, charitable or educational purposes, as well as employees of private firms with fewer than four employees in 20 weeks in a year.

A number of States have extended coverage beyond the Federal act. By 1965, 23 States and the District of Columbia were covering firms with fewer than 4 employees; 20 of these jurisdictions were covering some employers of 1 or more workers. States have also experimented in covering other types of employment excluded from the Federal act. Twenty-five States cover nearly one-half million State and local government employees. Four jurisdictions provide fairly broad or near universal coverage of nonprofit organizations, affecting about

100,000 workers. Special provisions are in effect for agricultural workers in Hawaii and Puerto Rico and for domestic workers in Hawaii and New York. In California, a self-employed person may elect coverage under specified conditions. Federal civilian employees and ex-servicemen have been brought under the unemployment insurance system through special Federal legislation. The benefits for these persons are financed through Federal funds, but are administered by the States and paid in accordance with the provisions of the State laws. Railroad workers are covered by separate unemployment insurance law enacted by Congress. This law is described in connection with other benefits administered by the Railroad Retirement Board. Including the railroad workers, about 48 million civilian wage earners in an average week in 1964 were in jobs covered by unemployment insurance, representing four of every five employed wage and salary workers in the Nation.

ELIGIBILITY FOR BENEFITS

Unemployment benefits are available as a matter of right (without a means test) to unemployed workers who have demonstrated their attachment to the labor force by a specified amount of work or earnings or a combination in covered employment. To be eligible for benefits, the worker must be ready, able, and willing to work, must be unemployed and not disqualified, and must be registered for work at a public employment office.

Work requirements.—A worker's benefit rights are determined on the basis of his employment in covered work over a reference period, called the base period. In most States this base period is the four quarters, or the first four quarters of the last five calendar quarters, preceding the claim for unemployment benefits. In four States, a uniform calendar-year base period established by law is used for all workers. In another seven States, the base used is 52 weeks closely preceding the claim.

Thirteen States require a flat minimum amount of earnings, ranging from $250 to $800, in the base period to qualify. Sixteen States and Puerto Rico express their earnings requirement in terms of a multiple, usually 30, of the weekly benefit amount. Most of these 30 areas, however, have an additional requirement that wages be earned in more than one calendar quarter or that a specified amount of wages be earned in other than claimant's high quarter or in specified quarters of the base period. Eight States and the District of Columbia simply require base period wages totaling a specified multiple—commonly 1½—of the individual claimant's high quarter wages. Eleven States require at least a specified number of weeks of work, with minimum weekly wages. Wyoming and Hawaii require both a specified number of weeks of unemployment and a multiple of high quarter wages. Twenty-one jurisdictions have additional wage or employment requirements to prevent payments of benefits in a second benefit year without intervening employment.

Other requirements.—All States require that for a claimant to receive benefits he must be able to work and must be available for work; i.e., he must be in the labor force, and his unemployment must be due to lack of work. One evidence of ability to work is the filing of claims and registration for work at a public employment office. Twenty jurisdictions permit payment of benefits to claimants attending approved vocational training courses. Nine States have added a proviso that claimants who become sick after filing a claim and registering for work shall be eligible for benefits so long as no offer of suitable work is refused. Some State laws include special provisions governing the benefit rights of students, pregnant women, and persons who work for family reasons. Other States have special disqualification provisions for the same groups.

The major causes of disqualification for benefits are voluntary separations from work without good cause; discharge for misconduct connected with the work; refusal, without good cause, to apply for or accept suitable work; and unemployment due to a labor dispute. In all jurisdictions, disqualification serves at least to delay a worker's receipt of benefits. The disqualification may be for a specific period depending upon the individual circumstances, or for the entire period of unemployment which follows the disqualifying act. Some States not only postpone the payment of benefits but also reduce the amount due to the claimant. A few States may cancel all benefit rights of a disqualified worker; then he can receive no benefits under the system until he returns to work and has earned enough wage credits to qualify again. The Federal Unemployment Tax Act, however, provides that no State can deny benefits to a claimant if he refuses to accept a new job under substandard labor conditions, where a labor dispute is involved, or where he would be required to join a company union or to resign from, or refrain from joining any bona fide labor organization.

In 16 States, a worker is disqualified for any benefits for a week in which he receives certain other forms of remuneration, such as wages in lieu of notice or dismissal payments (13 States) or workmen's compensation for temporary partial disability (9 States). In 40 States, including most of the 16, certain types of remuneration serve to reduce the weekly benefit; the claimant may receive as a benefit only the amount by which the benefit exceeds the other payment. The other remuneration may be workmen's compensation (15 States), retirement pension under the Social Security Act (17 States), employer pension (32 States), or wages in lieu of notice or dismissal payments (26 States).

TYPES AND AMOUNT OF BENEFITS

Under all State laws the weekly benefit amount—that is, the amount payable for a week of total unemployment—varies with the worker's past wages within certain minimum and maximum limits. In most of the States the formula is designed to compensate for a fraction of the full-time weekly wage, usually about 50 percent, subject to dollar maximums.

Most of the laws (36) use a formula which computes weekly benefits as a fraction of earnings in the highest calendar quarter in the base period, as this quarter most nearly reflects full-time work. In 26 States and the District of Columbia, the same fraction is used at all benefit levels, the fraction used ranges from one-twentieth to one-twenty-sixth. The other laws use a weighted schedule, which gives a greater proportion of the high-quarter wages to lower paid workers than those earning more, in these areas the minimum fraction varies from one-twenty-third to one-thirtieth and the maximum from onenineteenth (one-fifteenth in Puerto Rico) to one-twenty-third. Eight States compute the weekly benefits as a percentage of annual wages and eight States base the weekly benefit directly on average weekly wages during a recent period. A weighted schedule is used in most of these States.

All the laws provide maximum limits on weekly benefits. The maximum (excluding Puerto Rico) varies from $30 to $55 (excluding allowances for dependents, provided by 11 laws); 26 States and the District of Columbia provide basic weekly maximums of $40 or more. Since statutory increases in the maximums tend to lag behind the increase in wage levels, the maximums often operate to curtail the benefit rights of workers to a level below the intended 50 percent. In December 1964, for the Nation as a whole, the average weekly benefit for total unemployment was about $36 or 36 percent of the average weekly wage in covered employment. Minimum limits, usually about $10, are provided in every State. Eleven States and the District of Columbia provide flexible maximum amounts adjusted automatically in accordance with the weekly wages of covered workers. The maximum in these areas is usually defined as 50 percent of the average weekly wage. Such a provision removes the need for constantly amending the flat maximum statutory dollar amount in accordance with changing wage levels.

Benefits are paid also for weeks of partial unemployment—that is, weeks in which a claimant is employed for less than his regular full-time hours and earns less than his weekly benefit for total unemployment (33 laws), or less than his weekly benefit amount plus an allowance of from $2 to $22.50 (18 laws). To provide an incentive to accept part-time work, the benefit for partial unemployment is usually somewhat more than the difference between the weekly benefit amount and the individual's earnings during the week.

Ten States and the District of Columbia provide additional allowances for certain types of dependents. They all include children under age 16 or 18 (and generally, older if incapacitated); six include a nonworking spouse, and three consider other dependent relatives. The amount allowed per dependent varies from $1 to $6 per week; but all laws have a limit on the total amount of dependent's allowances payable in any week—in terms of dollar amount, number of dependents percentage of basic benefit, or percentage of prior wages. In the jurisdictions with dependents' allowances, the maximum weekly benefit ranges from $44 to $70, except in Massachusetts, where it is limited only by the claimant's average weekly wage.

All but four laws require a waiting period before the benefits can begin, usually a week after a worker becomes unemployed and files a claim. A few States pay benefits retroactively for the waiting period if unemployment lasts a certain period or the employee goes back to work within a specified period.

States either pay benefits for the same maximum duration to all qualified claimants or vary the maximum duration in relation to the amount of part earnings or employment. Eight States and Puerto Rico are in the former category, providing a uniform potential duration of 26 weeks (Puerto Rico 12 weeks). The remaiining 43 areas provide variable durations—generally by limiting maximum benefits to a certain fraction of base period earnings or to a specified multiple of the weekly benefit amount, whichever is less. Thirty-two of the forty-three jurisdictions with variable duration provide an absolute maximum of 26 weeks; nine jurisdictions have a maximum exceeding 26 weeks (ranging from 28 to 39 weeks). The other two States have maximums ranging from 22 to 24 weeks. The minimums in the 43 areas range from as few as 6 weeks to as many as 20 weeks.

Because of concern over the problem of claimants who exhaust unemployment benefits during periods of recession, eight States and Puerto Rico provide for extension of duration (usually 50 percent) whenever unemployment in the State reaches a certain level.

MANPOWER TRAINING AND ALLOWANCES

The Area Redevelopment Act of 1961 (ARA) and the Manpower Development and Training Act of 1962 (MDTA) were enacted in recognition of the fact that some persons who are unemployed or underemployed need assistance in acquiring skills which are or will be in demand in the labor market. These acts provided assistance in the form of basic educational, prevocational, and vocational training and retraining. Direct aid in the form of cash, transportation, and subsistence allowances may be paid to persons participating in the training programs. Under the 1965 amendments to the Manpower Development and Training Act, the separate training provisions under the ARA were repealed and the training programs in areas designated as redevelopment areas are to be carried out under the MDTA.

The regular training allowances payable to adults are based on the average weekly amount of unemployment compensation paid for a week of total unemployment in the State where the training takes place. The regular training allowance may be increased by an amount up to $10, depending on the number of dependents in the trainee's household and the duration of the training. Under the 1965 amendments, this basic amount may be further increased by $5 a week for each dependent over two up to a maximum of four dependents. Special training allowances are also provided for disadvantaged youths. Trainees who, except for their training, have entitlement under a State or Federal unemployment compensation law to a larger unemployment compensation benefit, receive an amount equal to the unemployment compensation payment. A trainee who receives an unemployment compensation payment which is less than the total training allowance may receive the difference. The 1965 amendments extended to period training allowances are payable to 2 years. Allowances are also paid to trainees to defray the cost of transportation to and from the training facility and to pay for the separate maintenance of a trainee if he is in training outside the commuting area.

The allowances are paid through the State unemployment insurance systems acting as agents for the Federal Government. States that pay unemployment insurance benefits to trainees are reimbursed by the Federal Government. The program is administered by the U.S. Department of Labor through the existing State employment agencies which also carry out the program of counseling, testing, selecting, and placing of trainees.

Congress also enacted a trade expansion program which includes a program of special allowances to workers unemployed by reason of tariff reductions or other trade concessions. As yet, however, no such payments have been authorized.

FINANCING

The Federal Unemployment Tax Act, which is now part of the Internal Revenue Code, levies a permanent tax on employers at the rate of 3.1 percent of the first $3,000 in a year of a workers' pay in covered jobs. The financing pattern of the State unemployment insurance laws is influenced by this act since employers may credit toward the 3.1-percent tax the State contributions which they pay under an approved State law. They may credit, also, any savings on the State tax under an approved experience-rating plan. However, the total credit may not exceed 2.7 percent of taxable wages. The remainder of the tax—0.4 percent—is collected by the Federal Government and is earmarked for paying Federal and State administrative expenditures. The excess is available for interest-free loans to States with depleted benefit reserves or for distribution among the States in proportion to their taxable payrolls after the loan fund has been built up sufficiently.

All the States finance unemployment benefits mainly by contributions from subject employers. There is no Federal tax on employees and only three States (Alabama, Alaska, and New Jersey) collect employee contributions. In all but 16 States, the employer's contribution, like the Federal tax, is based on the first $3,000 paid to a worker within a calendar year. In 11 of the 16 States the contribution is based on the first $3,600 per year; in the other 4 States, the maximum ranges from $3,300 to $7,200; and in Hawaii a flexible wage base of 90 percent of the statewide average annual wage is used.

All State laws except Puerto Rico make some provision for a system of experience rating; that is, employers' contribution rates are varied on the basis of their experience with unemployment risk. In 1964 the average contribution rate of employers under State laws was 2.2 percent of their covered payroll. This average reflects a wide range of tax rates from a low of nothing for some employers in some States to a high of 5.1 percent for some employers in one State. Under all but seven State laws a standard rate of contribution—the rate required of employers until they are qualified for a rate based on their experience—is 2.7 percent.

ADMINISTRATION

Funds for the administration of the State unemployment insurance laws are appropriated each year by Congress out of the proceeds of the earmarked Federal unemployment tax.

There are no Federal requirements concerning the form of the State administrative organization or its position in the State government. Eighteen State employment security agencies and the employment security agency in Puerto Rico are in the State departments of labor and one State agency is in the State workmen's compensation agency. The others are independent departments of the State government or independent boards or commissions. The State agencies operate through approximately 1,900 local full-time employment offices, which not only handle claims for unemployment insurance, but also act as employment exchanges providing a full range of placement services.

One of the Federal requirements for administrative grants to States under the Social Security Act is that the State unemployment insurance law must provide that the appointment of personnel administering the program, with the exception of the policymaking heads of the agencies, be on a merit basis.

All but three State laws provide for statewide advisory councils on unemployment insurance which generally contain equal representation of labor and employer groups and public representatives.

Federal functions relating to the unemployment insurance program are chiefly the responsibility of the Bureau of Employment Security in the Department of Labor. The Internal Revenue Service in the Treasury Department collects the Federal tax; the Treasury Department also maintains the trust fund. The Bureau of Employment Security ascertains each year whether the State programs are in conformity with Federal law and meet the requirements for administrative grants and the tax offset credit. The Bureau determines the Federal grants required by the States to meet necessary and proper costs of administering the State laws. The Bureau also provides technical assistance to State unemployment insurance agencies in the performance of their duties and serves as a clearinghouse for information on State operating and statistical experience.

The Bureau of Employment Security also carries on the Federal aspects of the Employment Service, administered by the States with 100 percent Federal financing. Under the terms of the Wagner-Peyser Act, the Employment Service has the responsibility for promoting and developing a national system of employment offices for all jobseekers, and, for maintaining a special veterans' employment service, farm placement service, and counseling service to guide individuals to employment for which they are suited. The Employment Service also has the responsibility for insuring adequate standards of State and local employment offices.

The Social Security Act provides that States must have methods of administration that will insure full payment of benefits when they are due. The act also requires that all benefits are to be paid through public employment offices or other federally approved agencies. Accordingly, all State laws require that, as a condition of eligibility for benefits, all claimants must register for work at the public employment office and continue to report in accordance with the agency's regulations. By this means, a close relationship between the employment service and unemployment insurance was assured. Claims are generally filed weekly at the same office in person, or in some cases, by mail. Except when there is good cause for late reporting, claims must be filed within 7 days after the week for which the claim is made. Benefits are paid weekly by the State agency administering the program, usually by check, but in some States by the local office by check or in cash.

All the States have adopted agreements for the payment of benefits to workers who move across State lines. Under two State laws, however, a worker who moves across State lines will (and under a third he may) receive less benefits than if he had remained in the State. Most States have also made special wage-combining agreements for workers whose wages have been earned in two or more States.

According to the Federal law, States must provide workers whose claims are denied an opportunity for a fair hearing before an impartial tribunal. Generally, there are two levels of administrative appeal:

first to a referee or tribunal, then to a board of review. Decisions of the board of review may be appealed to the courts.

Workmen's Compensation, or Industrial Accident Insurance

Workmen's compensation legislation, designed to provide cash benefits and medical care when a worker is injured in connection with his job and monetary payments to his survivors if he is killed on the job, was the first form of social insurance to develop widely in the United States. The Federal Government led the way with an act covering its civilian employees, passed in 1908, and reenacted in 1916. Similar laws were enacted by 10 States in 1911; by 1920, all but 6 States had such laws. Today there are 54 workmen's compensation programs in operation. Each of the 50 States and Puerto Rico have their own program, independent of any Federal legislative or administrative responsibility. In addition, there are three Federal programs covering not only Federal Government employees, but also longshoremen and harbor workers, and private employees in the District of Columbia.

Before the passage of workmen's compensation laws, injured workers ordinarily had to file suit and were obliged to prove an employer's negligence to obtain damages. The employer had the benefit of three common law defenses. These enabled him to block recovery if he could prove that the injury was due to the normal risk of the work, that the negligence of a fellow worker was responsible, or that the injured worker himself was partly responsible through his own negligence. The enactment of workmen's compensation laws introduced the principle that a worker incurring an occupational injury would be compensated regardless of fault or blame in the accident.

COVERAGE

State and Federal workmen's compensation laws covered about 48 million employees in December 1964 or almost four-fifths of the Nation's employed wage and salary labor force. No State's law covers all jobs. Among the most usual exemptions are domestic service, agricultural employment, and casual labor, though 18 programs cover agricultural workers, and 8 have some coverage of domestic workers. Many laws exempt employees of nonprofit, charitable, or religious institutions. Some States limit coverage to workers in hazardous occupations, variously defined.

In 28 States, employers having less than a specified number of employees are exempt from coverage; the range is from fewer than 2 employees in 3 States to fewer than 15 employees in 1 State. The most common exception is for employers having less than three employees.

In addition, the coverage of State and local public employees differs widely from one State to another. Some laws provide broad coverage, specifying no exclusions or excluding only such groups as elective or appointed officials. Other laws limit coverage to employees of specified political subdivisions or to employees engaged in hazardous occupations. In some States, coverage of government employees is entirely optional with the State, city, or other political subdivision.

Two other major groups outside the coverage of workmen's compensation laws are railroad workers in interstate commerce and seamen in the American merchant marine. These workers are covered by Federal statutory provisions for employer liability which give the employee an action in negligence against his employer, who is barred from pleading the common law defenses of fellow servant or assumption of risk.

There are many variations in the workmen's compensation laws. Thirty of the laws are compulsory for most of the private employment covered, requiring every employer within the scope of the law to comply with the provisions and pay the compensation specified. The remaining 24 are elective—that is, the employer may accept or reject the legislation, but if he rejects it, he loses the customary common law defenses against suits by employees. In a few instances the laws are in part compulsory—say, for public employees—and in part elective—say, for employers in private industry. Under most types of elective laws, acceptance of the act by employers is presumed unless specific notice of rejection is filed. Nineteen laws make this presumption, but in the other five elective laws the employer must accept the law in writing or show notice of acceptance.

The laws also vary with respect to the methods used to assure that compensation will be paid when it is due. Employers in most jurisdictions are permitted to carry insurance against work accidents with commercial insurance companies or to qualify as self-insurers by giving proof of ability to carry their own risk. In 7 States and Puerto Rico, however, they must insure with an exclusive State insurance fund (under 2 of the laws, they may instead self-insure), and in 11 there is a State fund that is "competitive" with private insurance carriers. Federal employees are provided protection through a federally financed and operated system.

ELIGIBILITY FOR BENEFITS

The usual condition for entitlement to benefits is that the injury or death "arise out of and in the course of employment." Most programs exclude injuries due to the employee's intoxication, willful misconduct, or gross negligence. Most of the laws cover all types of occupatioal disease, including injuries due to radiation. A few limit protection to specified diseases or restrict the scope of benefits in the case of such dust diseases as silicosis and asbestosis. In many jurisdictions, there are time limitations for filing of claims, ranging from 6 months to 3 years after the last exposure to an occupational disease; only one State does not compensate for occupational diseases.

TYPES AND AMOUNT OF BENEFITS

The benefits provided include periodic cash payments and medical services to the worker during a period of disablement, and death and funeral benefits to the worker's survivors. Lump-sum settlements are permitted under most laws, but only with the specific consent of the supervisory authorities and only if in the best interest of the claimant. In addition, benefits for maintenance during rehabilitation and other rehabilitative services for injured workers are provided under almost half the laws.

The cash benefits for temporary total disability, permanent total disability, permanent partial disability, and death of a breadwinner

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are usually calculated as a percentage of weekly earning at the time of injury or death—most commonly 60, 65, or 66⅔ percent. In some States, the percentage varies with the worker's marital status and the number of dependent children, especially in case of death. The State of Washington pays uniform benefits varying only with the number of dependents. Practically all the laws, however, place dollar maximums on the weekly amounts payable to a disabled worker or to survivors, so that many workers do not receive the amount indicated by these percentages. In one State—Connecticut—the maximum is recomputed annually at 55 percent of the State's "average production wage." In Kentucky, the minimum and maximum weekly benefits vary automatically with the State's average wages. Most of the laws also limit the number of weeks for which compensation must be paid and/or the total aggregate amount paid in a given case.

A waiting period is required in all States but Oregon before compensation is payable, ranging from 2 days to 7 days, with the majority of States requiring a 7-day waiting period. Most of the laws provide that if the disability continues for a certain period of time, ranging from 5 days to 7 weeks, the payment of benefits is retroactive to the date of injury.

Temporary and permanent total disability.—The great majority of compensation cases involve temporary total disability; that is, the employee is unable to work at all while he is recovering from the injury, but he is expected to recover fully. Both temporary and permanent total disability are usually compensated at the same rate, but a few States have a lower maximum on the weekly amounts payable for permanent disabilities or reduce the rate of compensation after, say, 5, 6, or 8 years. For temporary disability, maximum weekly benefits of $40 or more, including dependents' allowances, are payable under almost 70 percent of the laws. Twenty-six of the laws provide for maximum payments of $50 or more, and 15 maximums or $60 or more.

Most of the laws limit the period during which temporary total disability may be paid; this ranges from 208 to 500 weeks. Thirteen of the laws, however, pay benefits for the entire period of disability with no limitation on the amount. Eight other laws specify payments of benefits for the entire period of disability but set a maximum monetary limitation, ranging from $6,500 to $25,000.

If the total injury promises to be permanent, 33 laws will pay weekly benefits for life or the entire period of disability. The others impose arbitrary maximum limits of 330 to 550 weeks and dollar limitations usually between $10,000 and $30,000. Some laws provide additional payments for an attendant if required.

Injured persons who are compensated for temporary and/or permanent total disability receive additional benefits for dependent children in 16 States. In two of these, such payments are made in case of temporary total disability only. The effect of these allowances in general is to increase the maximum weekly payments which a disabled worker will receive. In a few States however, the additional allowances are limited by the fact that the same weekly maximum or the same aggregate maximum is payable whether or not there are dependents. In some States, the payments are higher for married persons than for single persons, and in other States the term "dependents" is defined to include wives as well as children.

Permanent partial disability.—The typical law recognizes two types of permanent partial disabilities: specific or "schedule" injuries such as the loss of an arm, leg, eye, or other member of the body; and general or "nonschedule" injuries, such as a disability caused by injury to the head or back.

Schedule injuries are generally compensated at the same rate and subject to the same dollar maximums as for total disability, but the compensation is measured in terms of a fixed number of weeks without regard to loss of earning power. For nonschedule injuries, the compensation is usually the percentage of total disability payment that corresponds to the percentage of wage loss or reduction in earning capacity—that is, the difference between wages before and after impairment. Again, in most laws there are limitations on the maximum amounts and/or periods payable.

In the majority of laws, the compensation payable for permanent partial disability is in addition to that payable during the healing period or while the worker is totally disabled. In most laws, additional amounts are allowed for disfigurement. In some States, lower benefits are payable for permanent partial disability due to occupational disease than for disability due to accidental injury.

Death benefits.—Under practically all the laws, compensation related to earnings and graduated by the number of dependents is payable to the survivors of workmen who died from employment injury. Twenty of the laws provide weekly or monthly death payments to the widow for life or until remarriage and to children until age 16 or 18 or later if incapacitated. Seven of these laws, however, limit the total amount payable (ranging from $10,000 to $25,000), and 32 other laws limit payments to a specific period ranging from 300 to 500 weeks (sometimes reduced by benefits paid the deceased worker before his death). Under two laws, only lump-sum death payments are provided. A few laws contain special provisions for lump sums payable to widows who remarry and are therefore disqualified for periodic payments. Other laws provide that, in case a widow or dependent no longer qualified for benefits, the remaining dependents will be granted a corresponding increase in their periodic benefits.

Under some of the laws, other survivors such as invalid widowers, parents, brothers, and sisters may qualify for death benefits, if proved dependent on the wage earner and no other qualified dependents survive. In about half the laws, nonresident alien dependents are excluded from the benefits or receive benefits on a reduced basis.

In all the compensation acts, except that of Oklahoma, provision is made for the payment of burial expenses, subject to a specified maximum amount, ranging from $200 to $1,000, with over two-thirds of the laws paying $500 or more. In the overwhelming majority of cases, the funeral benefit is payable without regard to whether survivors are also eligible for periodic payments. In a few States, a separate payment in addition to the funeral benefit is provided to cover the cost of the final illness.

Medical benefits.—All compensation acts require that medical aid be furnished to injured workers from the time of injury, whether or not it entails work interruption. The medical care provided includes first-aid treatment, services of a physician, surgical and hospital services as needed, nursing, and all necessary medical drugs and supplies, appliances, and prosthetic appliances.

Under 43 of the acts, medical aid is furnished without limit as to time or amount for accidental injuries, either through specific provision in the statute or through authority of the administrative agency to extend such services indefinitely. Under the other 11 acts, medical benefits are limited as to period or cost, or both; some of these acts permit extensions when authorized by the administrative agency but the extensions, too, are subject to limitations. Only 34 laws pay full medical benefits in cases of occupational diseases.

The acts generally give the employer the right to designate the physician. Should the employer fail to do so, however, or in an emergency, the insured employee may provide his own physician, surgeon, or hospital, at the employer's expense. Moreover, when the employer has made the choice, the administering agency usually has the authority to require a change of physician, surgeon, or hospital, either or its own motion or on request of the employee. A few acts give the employee the right to make the original choice of a physician, at least in certain types of cases.

In practice, the employer's right to designate the physician may be passed on to the insurance company which carries his risk for medical care and compensation. Some employers, however, personally provide the medical benefits, even though they are insured for cash compensation costs. Others are self-insured for both risks. First aid and, less commonly, hospital facilities may be maintained by the employer at the place of employment.

Inasmuch as most of the medical aid is provided by physicians in private practice on a fee-for-service basis, the acts commonly contain provisions restricting the responsibility of the employer (or insurer) to such charges as generally prevail in the community for treating persons who are of the same general economic status as the employee and who pay for their own treatment. Provisions are also common requiring review and approval of medical bills by the administering agency.

FINANCING

Workmen's compensation laws are almost exclusively financed by employers, on the principle that the cost of work accidents is part of the expense of production. A few State laws contain provisions for insignificant contributions by the covered employee for hospital and medical benefits.

The cost to an individual employer of protecting his workers is influenced primarily by such factors as the employer's industrial classification and the hazards of that industry, as modified by experience rating. In industries characterized primarily by clerical operations, his premium rates may be less than 0.1 percent of payroll; in very hazardous occupations they may be as high as 20 percent or more. The premium rate an employer pays, compared with the premium rate for the same industrial classification in another State, also reflects the level of benefits provided in his jurisdiction. His costs are also influenced by the method he uses to insure his compensation liability, through a commercial carrier, through an exclusive or competitive State fund, or through carrying his own risk, and the proportion of his premium assigned to acquisition costs and costs for services and general administration.

For the Nation as a whole, it is estimated that in 1964, the costs to an employer of obtaining insurance or of self-insuring the risk of employment injury amounted to about 1 percent of his payroll.

State costs of administering the workmen's compensation laws and supervising the operations of the insurance medium, the private carrier, the self-insured, and/or State fund, may be provided through legislative appropriations or through special assessments on insurance carriers and self-insurers. In 1964, the jurisdictions were about evenly divided in the method used to defray administrative costs.

ADMINISTRATION

State workmen's compensation laws in 20 States and Puerto Rico are administered in the State's labor department. In 25 States, the law is administered by an independent workmen's compensation agency. In two of these, the labor department participates through representation of the labor commissioner on the workmen's compensation board or commission. Court administration exists in the other five States. The Federal acts are all administered by the Bureau of Employees' Compensation of the U.S. Department of Labor.

In general, the administrative agencies are expected to exercise supervisory, adjudicative, and enforcement powers so as to insure prompt and continued payments of obligations and to secure compliance with the laws. In those States, however, that maintain exclusive State funds, these tasks of administration are merged with those providing the insurance protection; that is, of setting rates, collecting premiums, and paying benefits. A claim for compensation must be filed with the administering agency, with due notice to the employer or insurer, with a prescribed period, commonly not longer than a year, after the injury or onset of disability, or death. Time limits are extended under certain conditions.

In the great majority of acts, uncontested cases are settled by agreement between the employer or his insurance carrier and the worker. In some cases the agreement must be approved by the administrative agency before payments start. Under a few laws, the employer or his carrier takes the initiative and begins the payment of compensation to the worker or his dependents. The injured worker does not have to enter into an agreement and he is not required to sign any papers before compensation starts. The law specifies what a worker should get. If he fails to receive this, the administrative agency can step in, investigate the matter, and correct any error. In contested cases, most workmen's compensation laws provide for adjudication through hearing before the administrative body which usually has exclusive jurisdiction over the determination of facts; appeals to the courts are limited to questions of law. In the five States where the act is administered through court procedure rather than by a special agency, contested cases are adjudicated in the first instance by the courts.

REHABILITATION

Twenty-nine of the workmen's compensation laws contain special provisions for rehabilitation in the form of retraining, education, placement, and job guidance to help injured workers find suitable work before benefits run out. Five jurisdictions, Ohio, Oregon, Rhode

Island, Washington, and Puerto Rico, directly operate rehabilitation facilities under the workmen's compensation program to make available to injured workers the full services necessary to restore their ability to perform a job. In most of the 29 acts, special maintenance and other benefits are also provided to facilitate the vocational rehabilitation of the worker. Under some laws, maintenance benefits are provided through the extension of the period for which regular compensation is payable; under others, the maintenance benefits are in addition to the payment of indemnity benefits.

In addition to any special rehabilitation benefits and services provided under the workmen's compensation laws, an injured worker may also be eligible for the services provided by the Federal-State program of vocational rehabilitation. This program is operated by the State divisions of vocational rehabilitation and applies to disabled persons whether or not the disability is work-connected. The services rendered include medical examination, medical and vocational diagnosis, counsel and guidance in selecting the right job, and training for and placement on the right job. In addition, the medical treatment, transportation, maintenance, occupational tools and equipment and training supplies are provided without cost where the client's inability to pay has been established.

To help place injured workers in jobs and relieve the fear of employers that their workmen's compensation costs will be unduly burdened if they hire handicapped workers, all but four States have some form of subsequent-injury funds. These funds provide that, when a subsequent injury occurs to a worker who has sustained a previous permanent injury, the latest employer has to pay only for the last (second) injury. The remainder of the award resulting from the combined injuries is paid from the second-injury fund.

Under 20 laws, the second-injury fund legislation applies to any previous permanent disability. In the remaining jurisdiction, the legislation is limited to workers who have certain specified impairments. The method of financing the subsequent-injury fund differs among the various laws. The funds are usually supported by a charge made against an employer or carrier when a worker, who has been killed on the job, does not leave any dependents. Some States finance the program entirely by annual assessments on workmen's compensation insurance carriers and in two States, California and Pennsylvania, the fund is supported entirely by appropriation.

Temporary Disability Insurance, or Cash Sickness Programs

Four States and the railroad industry have social insurance programs which provide workers with partial compensation for loss of wages caused by temporary nonoccupational disability. In one of these States, hospitalization benefits are also provided insured workers. The railroad system provides cash maternity benefits and two of the State systems pay disability benefits for maternity.

Workers in States not having compulsory temporary disability insurance laws are often protected through their place of employment by group disability insurance or paid sick-leave plans established by employers or through collective bargaining. Some workers also secure a measure of protection through the purchase of individual accident and sickness insurance policies from private insurance companies.

It is estimated that, in 1964, about three-fifths of the Nation's wage and salary workers in private employment had some protection against loss of earnings caused by short-term nonoccupational disability through these various governmental and voluntary arrangements.

COVERAGE

More than 12 million employees, about one-fourth of the country's employed wage and salary labor force in private industry, were covered in 1964 by temporary disability insurance laws (including the railroad legislation). The first State law was enacted in Rhode Island in 1942, followed by legislation in California in 1946, New Jersey in 1948, and New York in 1949.

These four temporary disability laws, like the unemployment insurance programs in their States, cover the bulk of commercial and industrial wage and salary workers in private employment. The principal occupational groups excluded are farm laborers (except in California), domestic servants (with some exceptions in New York), family workers, governmental employees, the self-employed, and employees of nonprofit organizations operated for religious, charitable, and educational purposes (with some exceptions in New York). The California law permits self-employed people to elect coverage on a voluntary basis. New Jersey excludes employers with fewer than four employees in 20 weeks and California excludes workers in firms with a payroll of less than $100 in a quarter. In New York coverage is limited to employers who have employed one worker or more on at least 30 days during the year.

The four State laws make coverage against the risk of wage loss due to short-term nonoccupational disability mandatory for all employees subject to the law. However, the methods used for providing this protection vary. In Rhode Island, the coverage is provided through an exclusive, State-operated fund into which all contributions are paid and from which all benefits are disbursed. No provision is made for private cash sickness plans, although a covered employer may provide supplemental benefits in any manner he chooses.

In California and New Jersey, coverage is provided through a State-operated fund, but employers are permitted to "contract out" of the State fund by purchasing group insurance from commercial insurance companies, by self-insuring, or by negotiating an agreement with a union or employees' association. Coverage by the State fund is automatic, unless and until positive action is taken by an employer or his employees to substitute a private plan which meets the standards prescribed in the law, and is approved by the administering agency. Premiums (in lieu of contributions) are then paid directly to the private plan and benefits are paid by it to the workers affected. Ordinarily, private plans provide protection only for disabilities beginning during employment or shortly thereafter.

In New York, the responsibility rests upon the employer to provide disability insurance coverage for his employees. So long as benefits meeting statutory requirements are provided, he can comply with the law by purchasing group insurance from a commercial carrier, by setting up an approved self-insured plan, by negotiating a sick-pay agreement with a union or employees' association, or by purchasing the required insurance from the State insurance fund. The latter is a quasi-public competitive carrier that writes insurance on a premium-paying basis (i.e., rates based on risk insured), unlike the California and New Jersey State funds, which automatically cover under a payroll tax program those who do not take steps to obtain private coverage.

In 1963 private plans accounted for 53 percent of the covered workers in New Jersey. In New York only about 4 percent of the workers were covered by plans with the State insurance fund. Coverage under private plans in California was reduced from 21 percent in 1962 to about 7 percent in 1963, as a result of legislation barring substantial adverse selection of risks by insurance carriers with respect to factors of age, sex, and wage level.

ELIGIBILITY FOR BENEFITS

In order to qualify for benefits a worker must have certain requirements regarding past earnings or employment and must be "disabled" as defined in the law. In addition, the claimant may be disqualified if he gets certain types of income during the period of disability.

Earnings or employment requirements.—In order to limit benefits to individuals who have demonstrated substantial attachment to the covered labor force, a claimant must have a prescribed amount of past employment or earnings to qualify for benefits. In New Jersey the requirement is 17 weeks of employment during the base period and in Rhode Island, 20 weeks. (The base period in these two States is generally the 52-week period preceding the onset of disability.) Workers in California may qualify for benefits with $300 in earnings in the base year. In New York, a worker is eligible for benefits as soon as he has had four or more consecutive weeks of covered employment, and this protection continues for 4 weeks after termination of employment.

Private plans in California and New Jersey rarely employ a base-period earnings or employment concept to determine if a claimant is an insured member of the labor force. Instead, private plans either insure workers immediately upon their employment or require some probationary period of employment, usually from 1 to 3 months. Upon cessation of employment for 2 weeks or longer, a worker generally loses his private-plan coverage and must look to the State fund for such protection as his base-period wages provide.

Disability requirements.—The laws generally define disability as inability, by reason of physical or mental conditions, to perform regular or customary work. All the laws exclude or limit benefits for disability due to pregnancy. In Rhode Island, payments are permitted on account of pregnancy during a 14-week period beginning 6 weeks before expected childbirth. Benefits may be paid at other times in complicated cases. New Jersey permits the payment of benefits during pregnancy for the 4 weeks before the expected delivery and 4 weeks thereafter. California provides payments only for disability which continues more than 28 days after termination of pregnancy, and New York only for disability which occurs after a woman has returned to work for at least 2 consecutive weeks following termination of pregnancy. The New Jersey and New York laws also deny payments for periods of disability due to willfully self-inflicted injuries or to injuries sustained in the performance of illegal acts.

Disqualifying income.—All the laws contain some restrictions on the payment of disability benefits during periods when workmen's compensation payments are being received. Rhode Island is the most liberal; weekly disability benefits may be paid simultaneously with workmen's compensation up to a total of 85 percent of wages, or $62 a week (plus dependents' allowances, if any), whichever is lower. At the other extreme, New York will not pay benefits for disability arising out of or in the course of employment, even if it is not compensable by workmen's compensation. New Jersey will not pay for disabilities for which workmen's compensation is payable, and California will pay the difference if the temporary disability payment is larger than that for workmen's compensation; for permanent injuries compensated by workmen's compensation, no deduction in the temporary disability benefits are made.

There is no uniformity in the laws with respect to the treatment of sick-leave payments. Rhode Island pays disability benefits in full even though the claimant continues to draw wages or salary during his disability. In New York any wages drawn by the worker are deducted from his disability benefits unless the wage payments are considered voluntary aid by employers. In California and New Jersey benefits plus paid sick leave for any week during disability may not exceed the individual's weekly earnings before his disablement.

All the disability laws provide that a claimant cannot receive disability benefits for a week for which he receives unemployment benefits. The New Jersey law also provides for the deduction of certain retirement benefits from disability benefits otherwise payable.

TYPES AND AMOUNT OF BENEFITS

In all these temporary disability insurance systems, as in unemployment insurance in the United States, weekly benefit amounts are related to a claimant's previous earnings in covered employment. In general, the benefit amount for a week is intended to replace during a limited time one-half or more of the weekly wage loss. All laws, however, put absolute limits on the minimum and maximum amounts they will pay for a week. In Rhode Island and California the nonpremium is recomputed annually so that it will equal 50 and 66⅔ percent, respectively, of the average weekly wage in covered employment. Rhode Island alone pays benefits to dependents.

In all the systems, the maximum duration of benefits payable per disability or per year is 26 weeks. California and New York provide for benefits of a uniform duration for all claimants who qualify. In Rhode Island and New Jersey the length of time that benefits will be payable varies, depending on the total amount of base-period earnings or length of covered employment. Under all the laws a waiting period of a week or 7 consecutive days of disability is generally required before the payment of benefits for subsequent weeks. A worker may be paid benefits on a prorated basis, for partial weeks of sickness after a waiting period.

In addition to the regular cash benefits intended to compensate for the loss of wages, California provides hospitalized claimants with benefits of $12 a day for 20 days in any one period of disability. No waiting period is required of hospitalized claimants either for the hospital benefits or for the cash benefits.

In those States where private plans are permitted to participants the statutory provisions described above are the benefits payable to those employees covered by the State-operated plans, and they represent standards against which the private plan can be measured (in accordance with the provisions in the State law). Thus, while identical statutory provisions apply to all covered workers under the Rhode Island system, a different situation prevails in the other States, where private plans may deviate sharply from the statutory specifications.

In California, before a private plan can be substituted for the State plan, it must afford benefit rights at least equal to those under the State-operated plan in all respects, and greater in at least one respect.

New Jersey private plan benefits must be at least as favorable as those under the State plan. In New York adherence to precisely statutory benefits is not required; the benefits package provided by private plans must be "actuarially equivalent" to the statutory formula and must meet certain minimum standards. Some features of a private plan can be less favorable than the standards of the State law if other features are more favorable. Moreover, in New York, medical, hospital, and surgical care benefits may be substituted for cash sickness benefits up to 40 percent of the statutory benefits.

Private plans may also deviate from the statute with respect to conditions under which benefits will be paid, as long as benefits are not denied in any statute. As a matter of fact, however, financial considerations tend to operate as a restrictive force on the liberalization of private plans in relation to State-operated plans or statutory formulas. To exceed the statutory formula to any extent would mean higher costs for the average employer, since the law forbids requiring employees to pay higher premiums for private-plan coverage than for State-plan or statutory coverage.

Benefits for the disabled unemployed.—In those States where private-plan participation is permitted, special arrangements are needed to insure continuity of coverage for worker who changes employers or experiences periods of unemployment. Both California and New Jersey specify that a private plan has liability for coverage of laid-off workers for 2 weeks after separation from employment. After that period, unemployed claimants are entitled to immediate protection (as provided by their base-period wages) from the State fund as though they had never been covered by the private plans. In New Jersey a separate system with different benefit provisions is used for all workers who become disabled while unemployed or in noncovered employment, and the duration of benefits is limited to a maximum of 26 weeks for a single period of disability during unemployment.

In New York the law requires that a worker be covered by a private plan for 4 weeks after termination of coverage unless he is remployed, in which case he will immediately be covered by the new employer. A person who becomes disabled after 4 weeks of unemployment may be eligible for benefits from a special State fund established for this purpose. Special eligibility requirements are in effect for disabled unemployed workers in both New Jersey and New York.

On the other hand, in Rhode Island there is no reason to make a distinction between employed and unemployed workers since all benefits are paid from a single State fund and workers are assured of continuous protection during short periods of unemployment and job turnover.

FINANCING

In each of the States, employees contribute to the cost of the temporary disability benefit laws. In two of the States, employers are also required to contribute. There is no government contribution.

In Rhode Island and California the cost of the State-operated plan is financed through an employee payroll tax of 1 percent. In Rhode Island, the tax is paid on the first $4,800 of each worker's annual wage and in California, on the first $5,600 of annual wages. In California self-employed people who have elected coverage contribute at a rate of 1.25 percent of the maximum amount of earnings creditable under temporary disability insurance without regard to actual self-employment earnings. In New Jersey, the State plan for employed workers is financed by a tax of 0.5 percent of covered wages up to $3,000 a year for employees and a basic tax of 0.25 for employers. The employer tax may vary between 0.10 and 0.75 percent of covered payroll, depending on the experience of the employer with the disability risk and the level of reserves. For benefits not exceeding the statutory benefits, New York employees contribute 0.5 percent of their wages up to a maximum of 30 cents per week with employers bearing any additional cost that may arise. There is no ceiling on the employer's liability.

Under the California and New Jersey private plans, workers covered by approved private plans are relieved from contributing to the State-operated fund, but where they are asked to contribute to the private plan, they may not pay more than they otherwise would be required to pay for the State fund—1 percent in California and 0.5 percent in New Jersey. In the event that benefit costs exceed this amount, employers must pay the balance.

The administrative costs of the government-operated plans, like the benefit outlays, are met from the payroll taxes collected under the law. New Jersey and Rhode Island limit the amounts that can be spent from the funds for administrative purposes. None of the laws regulate the administrative costs of private plans; each carrier is responsible for its own administrative costs. The New York insurance fund, however, which writes insurance policies on the same basis as private carriers, is limited in its administrative costs to 25 percent of premiums. California, New Jersey, and New York levy assessments on private plans or their insurers to cover the added administrative cost to the States of supervising these plans. New

Jersey employers covered by the State-operated plan pay an extra assessment for the costs of maintaining separate accounts for experience-rating purposes.

Those State disability laws that permit private insurance assess these plans for part of the cost of paying benefits to insured workers who become disabled while unemployed by means of a levy proportional to the insurable payroll covered by private plans. This is necessary to assure that the cost of benefits to unemployed workers will not be borne exclusively by the public funds.

ADMINISTRATION

Three of the four State programs are administered by the same agency that administers unemployment insurance, while the fourth (New York) is administered by the State workmen's compensation board. Under the former programs, the unemployment insurance administrative machinery is used to collect contributions, to maintain wage records, to determine eligibility, and to pay benefits for workers under the State-operated funds. Claimants file their claims by mail—usually weekly or biweekly—with the appropriate State unemployment insurance agency.

By way of contrast, in New York, no funds are collected by the State workmen's compensation board itself for the payment of benefits to workers who become disabled while employed and no claims for such workers are filed with or paid by the board. Instead, claims are filed with the employer, the insurance carrier (including the State insurance fund), or the union health and welfare fund that is operating the private plan. The adjudication and payment of disability claims are almost exclusively in their hands. The workmen's compensation board limits its functions with respect to employed workers to exercising general supervision over private plans, to setting standards of performance, and to adjusting disputed claims arising between claimants and carriers. A similar situation prevails with respect to claimants under private plans in California and New Jersey. Claimants look to their private plan for benefits and the State unemployment insurance agency limits itself to general supervisory and adjudicative functions.

Verification of disability.—All the laws require the claimant to be under the care of a physician, or in California, an authorized religious practitioner of the claimant's faith. The first claim must be supported by a physician's certification, including a diagnosis, dates of treatment, and opinion as to whether the illness or injury prevents the claimant from carrying on his customary work, and an estimate of the date on which the claimant will again be able to work. The agency does not assume financial responsibility for any doctor's fees arising out of treatment and certification, except as additional verification is needed in particular cases.

The claims and supporting medical statements are reviewed by lay claims examiners, usually under medical supervision. In addition to the certificate from the claimant's attending physician, the agency may require a claimant to report for examination by a physician designated by the agency. The physicians who give these medical examinations are not generally employees of the Government. They are physicians in private practice who have indicated their willingness to perform examinations and to submit reports; they are paid a prescribed fee for each examination out of the funds for administration of the program. Private carriers also have the right to require examination for which they must pay.

Most of the programs also provide for unscheduled visits to claimants' homes. These visits, made by lay claims examiners, verify whether the claimant's appearance and activities at the time of the visit are consistent with the medical report.

An individual whose claim for benefits is denied, in whole or in part, has the right to appeal against the determination up through the State courts. Decisions by private carrier are also subject to appeal to the State tribunal and then to the courts. If a carrier should fail to pay benefits promptly in accordance with a decision on appeal, the benefits may be paid by the State and assessed against the employer.

Health Insurance for the Aged

The 1965 amendments to the Social Security Act added a new title (XVIII) to the law setting up two related health insurance programs for virtually all persons aged 65 and over: a basic hospital insurance plan and a voluntary supplementary medical plan.

Hospital insurance.—Basic protection, financed through an earnings tax, will be provided against the cost of inpatient hospital services, skilled nursing care and other services in an extended care facility after hospitalization, posthospital home health services, and outpatient hospital diagnostic services for social security and railroad retirement beneficiaries when they attain age 65. Essentially all people who are now aged 65, or who will reach age 65 before 1968, but who are not eligible for OASDI or railroad retirement benefits will be provided protection under a special transitional provision. Benefits for these people will be financed out of Federal revenues.

The persons not protected would be Federal employees who are covered, or who were covered on February 15, 1965, or who, if they retired after February 15, 1965, could have been covered, under the provisions of the Federal Employees' Health Benefits Act of 1959. Others excluded would be aliens who have not been residents of the United States for 5 years, aliens who have not been admitted for permanent residence, and certain subversives.

Benefits will become available on July 1, 1966, except for services in extended care facilities (e.g., nursing homes) which will begin on January 1, 1967.

Payment will be made under the basic plan for the following services:

1. Inpatient hospital services for up to 90 days in each spell of illness. (A spell of illness begins when the individual enters a hospital and ends when he has not been an inpatient of a hospital or extended care facility for 60 consecutive days.) The patient will pay a deductible amount of $40 (initially) for the first 60 days plus a coinsurance payment of $10 a day for each day in excess of 60 during each spell

of illness. Hospital services include all those ordinarily furnished by a hospital to its inpatients; however, payment will not be made for private duty nursing or for the hospital services of physicians except services provided by interns or residents in training under approved teaching programs. Inpatient psychiatric hospital services are included, with a lifetime limitation of 190 days.

2. Posthospital extended care (in a skilled nursing home or facility having an arrangement with a hospital for the timely transfer of patients and for furnishing medical information about patients) after a hospital stay of at least 3 days. The plan provides for up to 100 days in each spell of illness, but after the first 20 days of care patients will pay $5 a day for the remaining 80 days of extended care in a spell of illness.

3. Outpatient hospital diagnostic clinic services with the patient paying a $20 deductible amount and a 20 percent coinsurance payment for each 20 days period of diagnostic testing.

4. Posthospital home health services by nurses or other health workers for a maximum of 100 visits after a stay of 3 days or more in a hospital or extended care facility and before the beginning of a new spell of illness. The person must be in the care of a physician and under a plan established by a physician within 14 days of discharge calling for these services. The services may include intermittent nursing care, therapy, and the part-time services of a home health aid. The patient must be homebound, except that payment could be made for services furnished at a hospital or extended care facility or rehabilitation center requiring the use of equipment that usually cannot be taken to the patient's home.

No service can be covered as posthospital extended care or as outpatient diagnostic or posthospital home health services if it is the same kind that could not be covered if it were furnished to a patient in a hospital. Special provisions are included for Christian Science sanatoriums.

The deductible amounts for inpatient hospital and outpatient hospital diagnostic services will be increased if necessary to keep pace with increases in hospital costs, but an increase cannot be made before 1969. Increases in the hospital deductible will be made only when a $4 change is called for and the outpatient deductible will change in $2 steps in order to keep administration of the program as simple as possible.

Taxes to finance the hospital plan, paid by employers, employees, and self-employed persons, will be placed in a separate hospital insurance trust fund established in the Treasury from which the program's benefits and administration costs will be paid. The amount of annual earnings subject to the new taxes—$6,600 a year—will be the same as for purposes of financing social security cash benefits. The same contribution rate will apply equally to employers, employees, and self-employed persons and will be 0.35 in 1966, gradually increasing over the years to 0.80 percent in 1987 and thereafter. The hospital insurance contribution will be in addition to and collected at the same time as the regular social security contributions. The cost of providing basic hospital and related benefits to people who are not entitled to monthly social security or railroad retirement benefits will be paid from general funds of the Treasury.

The Secretary of Health, Education, and Welfare through the Social Security Administration is basically responsible for administration of the program. He will use appropriate State agencies and private organizations (nominated by providers of services) to assist in the administration of the program. An Advisory Council will also be set up which will advise the Secretary on policy matters in connection with administration.

Payment of bills under the hospital plan will be made to the providers of service on the basis of the "reasonable cost" incurred in providing care for beneficiaries.

People who qualify for hospital insurance will receive a health insurance card which is shown to the hospital, extended care facility, home health agency, doctor, or other person who provides the health services. Payments ordinarily will only be made in the 50 States, Puerto Rico, the Virgin Islands, Guam, and American Samoa. Hospital services may be provided in border areas outside the United States if comparable services are not available in the United States for a beneficiary who becomes ill in this country.

Voluntary supplementary medical insurance plan.—Benefits supplementing those provided under the hospital plan will be available to all persons 65 and over on a voluntary basis. Aged persons who enroll will pay a monthly premium of $3 (at the outset) and this will be matched by an equal amount from Federal general revenues. A State will be able to provide the supplementary insurance benefits to its public assistance recipients who are receiving money payments if it chooses to do so. Coverage may be terminated by the individual filing notice during a general enrollment period, or by the Government, for nonpayment of premiums. Benefits will be effective beginning July 1, 1966.

The voluntary supplementary insurance plan covers physicians' services, home health services, and numerous other medical and health services in and out of medical institutions not covered by the basic plan. There will be an annual deductible of $50. Then the plan will cover 80 percent of the patient's bill (above the deductible) of the following services:

1. Physicians' and surgeons' services, whether furnished in a hospital, clinic, office, in the home, or elsewhere.
2. Home health services (with no requirement of prior hospitalization) for up to 100 visits during each calendar year.
3. Diagnostic X-ray and laboratory tests, and other diagnostic tests.
4. X-ray, radium, and radioactive isotope therapy.
5. Ambulance services.
6. Surgical dressings and splints, casts and other devices for reduction of fractures and dislocations; rental of durable medical equipment such as iron lungs, oxygen tents, hospital beds, and wheelchairs used in the patient's home; and prosthetic devices (other than dental).

There will be a special limitation on outside-the-hospital treatment of mental, psychoneurotic, and personality disorders. Payment for such treatment during any calendar year will be limited, in effect, to $250 or 50 percent of the expenses, whichever is smaller.

Premium rates for enrolled persons (and the matching Government contribution) will be increased from time to time in the event that costs rise, but not more often than once every 2 years. The premium rate for a person who enrolls after the first period when enrollment was open to him will be increased by 10 percent for each full year he stayed out of the program. If a person is currently receiving montly social security, railroad retirement, or civil service retirement benefits, the premiums will be deducted from his benefits. The individual and Government contributions will be placed in a separate trust fund for the supplementary plan. All benefit and administrative expenses under the supplementary plan will be paid from this fund.

The Secretary of Health, Education, and Welfare is required, to the extent possible, to contract with carriers to carry out the major administrative functions of the voluntary supplementary plan, such as determining rates of payments under the program, holding and disbursing funds for benefit payments, and determining compliance and assisting in utilization review. The contract must provide that the carrier take necessary action to see that where payments are on a cost basis (to institutional providers of services), the cost is reasonable cost. Where payments are on a charge basis (to physicians or others furnishing noninstitutional services), the carrier must see that such charge will be reasonable and not higher than the charge to the other policyholders and subscribers of the carrier for similar services.

Payments for physicians' services will be made on the basis of a receipted bill, or on an assignment under which the reasonable charge will be the full charge for the service. In determining reasonable charges, the carriers will consider the customary charges for similar services generally made by the physician or other person or organization furnishing the covered services, and also the prevailing charges in the locality for similar services.

Railroad retirement health insurance provisions.—The basic responsibility for administration of the health insurance benefits program for railroad retirement beneficiaries will rest with the Social Security Administration which will make payments to providers of services and carry out related administrative functions.

The hospital insurance taxes paid on employment covered under the railroad retirement program will be the same as the taxes on employment covered under social security. For years in which the annual earnings and tax base of the two programs are equal, taxes would be collected under the railroad system but transferred into the hospital insurance trust fund. In those years the Railroad Retirement Board would determine eligibility of railroad retirement beneficiaries but the Social Security Administration would reimburse providers of services (except Canadian hospitals). If there are years in which the railroad retirement taxable wage base is not equal to that of social security, the hospital insurance taxes for railroad workers would be levied under the social security taxing provisions of the law, and hospital insurance benefits for railroad beneficiaries would be provided under social security on the same basis as for social security beneficiaries.

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TABULAR ANALYSIS OF THE SOCIAL SECURITY SYSTEMS BY COUNTRY

BELGIUM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1924. Current laws: 1955 (wage earners), 1956 (self employed), and 1957 (salaried employees). Invalidity pensions provided under sickness insurance. Social insurance system (1 franc equals 2 U.S. cents)	Gainfully occupied persons; coverage effected through 3 separate systems for wage earners, salaried employees, and self-employed. Special systems for miners, railroad employees, seamen, and public employees. (Coverage for invalidity pensions same as for sickness and maternity below.)	Insured person: 5% of earnings (1965, 5.25%; 1966, 5.5%). Employer: 6% of payroll (1965, 6.75%; 1966, 7%). Government: Annual subsidies, according to rising scale. Maximum earnings for contribution and benefit purposes (salaried employees only): 9,000 francs a month. (Invalidity pensions financed through sickness and maternity insurance.)	Old-age pension: Age 65 (men) or 60 (women); payable up to 5 years earlier, with 5% reduction a year. For full pension, actual or credited employment in all years from 1926; or 45 years for men and 40 for women; otherwise, proportionately reduced pension. Substantial retirement necessary. Pensions not payable abroad; those of aliens reduced 20% unless reciprocity. Invalidity pension: Loss of 2/3 of earning capacity in usual occupation. 6 months' coverage, including 120 days of actual work (3 months and 60 days, if below 25), and coverage during last quarter. Survivor pensions: Coverage during last 12 months, and in 1/2 of period since age 20, or 1926 if later; otherwise, proportionately reduced pension.
SICKNESS AND MATERNITY First law: 1894 (mutual benefit societies). Current law: 1963. Social insurance system (cash and medical benefits)	Employed persons (must enroll with mutual benefit society, or else with public auxiliary fund). Pensioners covered for medical benefits. Coverage of students, public utility employees, and self-employed for medical benefits also authorized. Special systems for miners, railroad employees, seamen, and public employees.	Insured person: 5.0% of earnings. Employer: 5.0% of payroll. Government: 32% of medical benefit costs (95% for specified serious diseases); 50% of invalidity pensions in 2nd and 3rd year of payment, 95% thereafter. Maximum earnings for contribution and benefit purposes: 11,550 francs a month; varies with retail price index.	Cash sickness and medical benefits: 6 months of insurance, including 120 days of actual work (3 months and 60 days, if below 25), and insurance during last quarter. Cash maternity benefits: 10 months of insurance immediately prior to confinement.
WORK INJURY First law: 1903. Current law: 1931. Voluntary insurance with private carrier	Employed persons.	Insured person: None. Employer: Whole cost, through direct provision of benefits or insurance premiums (non-insured employers with fewer than 500 workers must contribute to special guarantee fund). Government: None. Maximum earnings for benefit purposes: 10,000 francs a month.	Work-injury benefits: No minimum qualifying period.
UNEMPLOYMENT First law: 1920 (subsidized voluntary insurance). Current law: 1945. Compulsory insurance system	Employed persons. Exclusions: Railroad employees, domestic servants, public employees, and family labor. Special systems for miners, seamen, port workers, and building workers.	Insured person: 1% of earnings. Employer: 1% of payroll. Government: Regular subsidy of 2% of earnings, plus amount of any deficit. Maximum earnings for contribution purposes: 11,550 francs a month; varies with retail price index.	Unemployment benefits: From 75 days of insured employment in last 10 months to 600 days in last 36 months, rising by age of claimant. Ability to earn 1/3 of earnings of similar worker, willingness to accept suitable work, and registration at exchange. Unemployment not due to voluntary leaving, discharge for misconduct, strike, or unjustified refusal of suitable offer (disqualification for 4-52 weeks according to gravity of fault and frequency of occurence).
FAMILY ALLOWANCES First laws: 1930 (employees) and 1937 (self-employed). Current law: 1947. Employment-related system	All gainfully occupied persons and social insurance beneficiaries, with 1 or more children. Coverage effected under two separate systems for employees and self-employed persons. Special systems for miners, seamen, and public employees.	Insured person: Employee, none. Self-employed, contributions varying with income and occupation. Employer: 10.25% of payroll. Government: Subsidies to both employee and self-employed programs covering any deficits. Maximum earnings for contribution purposes: 11,550 francs a month; varies with retail price index.	Family allowances: Child must be under age 14 (21 if student, no limit if invalid). Parent must have 100 days of employment a year, or be a social insurance beneficiary. Eligible children may include dependent grandchildren, brothers, sisters, nephews, and nieces.

BELGIUM

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Old-age pension: For full pension, 60% (single person) or 75% (married person) of average lifetime earnings; in computing average, earnings for each past year revalued for changes in retail price index. Reduced pension (if full qualifying period not met): Percentage of full pension corresponding to proportion of period completed. Automatic adjustment of outstanding pensions to 2.5% changes in retail price index.	Invalidity pension: 60% of earnings. Maximum pension: 410 francs a month. Automatic adjustment of outstanding pensions to 2.5% changes in retail price index.	Widow's pension: 60% of old-age pension of insured. Payable to widow age 45, 2/3 incapacitated, or caring for child. Automatic adjustment of outstanding pensions to 2.5% changes in price index. Adaptation grant (widows not eligible for pension): Lump sum of 1 year's pension. Funeral grant: Lump sum of at least 15 days' maximum cash sickness benefit. (Special allowances for orphans paid under family allowance program.)	Ministry of Social Welfare, general supervision. National Social Security Office, in Ministry, collection of contributions and distribution to national agencies administering benefits. National Retirement and Survivors Pension Fund, administration of old-age and survivor pensions; managed by administrator representing Ministry, assisted by employee-employer council. National Sickness and Invalidity Insurance Institute, general administration of invalidity pensions.
Sickness benefit: 60% of earnings. Payable after 3-day waiting period (salaried employees, 30 days, during which employer must pay full wages), for up to 1 year; payable for additional 2 years if prolonged incapacity. Maternity benefit: 60% of earnings. Payable for 6 weeks before and 6 weeks after confinement (not payable to salaried employees during 30 days of paid maternity leave employers required by law to provide them).	Medical benefits: Cash refunds of part or all of medical expenses. General and specialist care, surgery, hospitalization, medicines, laboratory services, maternity care, dental care, nursing, and appliances. Insured normally pays for services, and is then reimbursed by society of which a member for up to 75% of amount listed for such services in official fee schedule; 100% reimbursement for ward care in hospital, specified serious diseases, specialist services, midwifery, appliances, and to pensioners. Duration: No limit.	Medical benefits for dependents: Same as for insured.	Ministry of Social Welfare, general supervision. National Social Security Office, in Ministry, collection of contributions. National Sickness and Invalidity Insurance Institute, coordination of program together with 2 Management Committees for cash and medical benefits. Local agencies paying benefits: (1) about 2,000 approved private mutual benefit societies, federated into 5 national unions; and (2) district offices of public auxiliary fund, for persons not belonging to mutual society.
Temporary disability benefit (work injury): 80% of earnings for first 28 days of incapacity; thereafter, 90%. Payable from 1st day of disability, until recovery or certification of permanent disability.	Permanent disability pension (work injury): 100% of earnings, if totally disabled. Constant-attendance supplement: Up to 50% of earnings. Percent of full pension corresponding to degree of incapacity, if partially disabled (converted to lump sum in specified circumstances). Medical benefits (work injury): Medical treatment, surgery, dental treatment, hospitalization, medicines, and appliances.	Widow's pension (work injury): 30% of earnings of deceased. Also payable to dependent widower. Orphans' pensions (work injury): 15% of earnings per orphan, or 20% if full orphan; payable for not more than 3 orphans. Other survivors (in absence of above): Parent, 20% of earnings; grandchild, brother, or sister, 15%. Funeral grant: Lump sum of 30 days' earnings.	Ministry of Social Welfare, general supervision. Employment Accident Commission, under Ministry, and local accident boards and inspectors, administration of program; tripartite representation. Employers may insure liability with employer mutual associations or private insurance companies. Courts approve awards.
Unemployment benefit: Flat daily amounts equal to 50-60% of average wages of unskilled worker. Amounts vary according to marital status, sex, age, and size of locality. Maximum benefit: 124 francs a day, or 66 2/3% of earnings (75% if 4 or more children). Payable after 1-day waiting period, with no limit on duration except in special cases.			Ministry of Employment and Labor, general supervision. National Social Security Office, collection of contributions. National Employment Office, receiving and decision of claims, supervision of paying agencies, and operation of employment service, through about 30 regional offices; managed by tripartite committee. Local agencies paying benefits: Public paying offices, or trade unions for own members.
Family allowance: 457 francs a month for 1st child, rising to 1,000 francs for 4th and others, plus 107 frs. if age 6-10, 198 frs. if 10-14, and 251 frs. if over 14. Birth grant: 7,250 francs for 1st birth, 5,000 frs. for 2nd, and 2,690 frs. for each other birth. Allowances adjusted automatically for 2.5% changes in retail price index.			Ministry of Social Welfare, general supervision. National Social Security Office, collection of contributions. National Family Allowance Office, distribution of contributions among individual funds. Family allowance funds paying allowances: About 70 approved occupational and regional funds, auxiliary public fund for persons not otherwise covered, and several special funds.

FRANCE

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1910. Current law: 1945. Social insurance system (1 franc equals 20.3 U.S. cents)	Nonagricultural employees (general system covering about 70% of employees). Special systems for agricultural employees, miners, railroad employees, public utility employees, seamen, public employees, nonagricultural self-employed, and agricultural self-employed.	Insured person: 6% of earnings. Employer: 14.25% of payroll. Government: None. Maximum earnings for contribution and benefit purposes: 970 francs a month. Above contributions also finance sickness and maternity benefits.	Old-age pension: Age 60. 30 years of insurance, or 15-29 years for reduced pension (if 5-14 years, 50% of contributions paid as annuity at 65; if 1-4 years, contributions refunded at 65). Retirement unnecessary. Pensions not paid aliens while abroad, unless reciprocal agreement. Invalidity pension: Loss of all working capacity (total invalidity), or 2/3 of earning capacity (partial invalidity), in any occupation. Entry into insurance 12 months before incapacity, and 480 hours of employment in last 12 months, including 120 hours in last 3 months. Survivor pensions: Deceased met insurance requirements for old-age or invalidity pension, or was pensioner, at death.
SICKNESS AND MATERNITY First law: 1928. Current law: 1945. Social insurance system (cash and medical benefits)	Nonagricultural employees (general system covering about 70% of employees). Also pensioners covered for medical benefits. Special systems for agricultural employees, agricultural self-employed, miners, railroad employees, public utility employees, seamen, and public employees (medical benefits provided under general system for some groups).	Insured person: See pension contribution above. Employer: Same. Government: None.	Cash sickness and medical benefits: 60 hours of employment in last 3 months. For extended cash sickness benefit, entry into insurance 12 months before incapacity, and 480 hours of employment or involuntary unemployment in last 12 months, including 120 hours in last 3 months. Cash maternity benefits: Entry into insurance 10 months before confinement, and 60 hours of employment in last 3 months.
WORK INJURY First law: 1898. Current law: 1946. Social insurance system	Nonagricultural employees (general system covering about 70% of employees). Special systems for agricultural employees, railroad employees, and public utility employees.	Insured person: None. Employer: Whole cost, through contributions varying with risk; average rate, about 3% of payroll. Government: None. Maximum earnings for contribution and benefit purposes: 970 francs a month.	Work-injury benefits: No minimum qualifying period.
UNEMPLOYMENT First law: 1905. Current law: 1951. Unemployment assistance (Large nonstatutory program for industry and commerce, established by 1958 collective agreement, provides insurance benefits of 35% of wages for 9-12 months; financed by 0.2% employer and 0.05% employee contribution.)	Regularly employed persons. Exclusion: Employed wives of regular employees. Special systems for building and dock workers.	Insured person: None. Employer: None. Government: Whole cost; about 10% of cost borne by local governments.	Unemployment allowance: 150 days of paid employment in last year, and 3-12 months' residence in locality. Other income of household plus allowance less than 660-740 francs a month. Capable of and free to accept work, and registration at employment exchange. Unemployment not due to voluntary leaving, dismissal through own fault, labor dispute in plant, notorious misconduct, or refusal of suitable offer of work or recommended training (disqualification at least 6 weeks).
FAMILY ALLOWANCES First law: 1932. Current law: 1946. Employment-related system	Family allowances: Gainfully occupied persons, social insurance beneficiaries, and persons for whom gainful work not possible (special systems paying same allowances for agriculture, railroad employees, and public utility employees.) Single-wage allowances: All eligible families with 1 or more children. Prenatal allowances and birth grants: All mothers.	Insured person: None, except self-employed who pay about 4% of income according to occupational schedule. Employer: 13.5% of payroll. Government: None. Maximum earnings for contribution purposes: 970 francs a month.	Family allowances: Family must contain 2 or more children under 15 (20 if student, invalid, or girl working at home). Single-wage allowances: Family must contain only 1 earner; child in 1-child family must normally be under 5. Prenatal allowances: 3 examinations. Birth grant: French nationality; births after 1st within 3 years of previous birth.

FRANCE

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Old-age pension: 20% of average earnings in last 10 years, or 40% if unfit for work or in arduous work (past earnings revalued for wage changes). Increment of 4% of earnings per year pension deferred after 60 (i.e., 40% of earnings payable at 65, 60% at 70). Reduced pension: 1/30 of full pension times years of insurance. Dependents' supplements: 50% of pension for spouse, 10% if 3 children reared. Special supplement of 700 francs a year paid low-income French pensioners from solidarity fund. Automatic adjustment of outstanding pensions to annual changes in national-average wages. Assistance or special allowance for former workers available to low-income aged not receiving pension.	Invalidity pension: 50% of average earnings in last 10 years, if totally disabled. Constant-attendance supplement: 40% of pension. Partial invalidity: 30% of earnings. Special supplement of 700 francs a year paid low-income French pensioners from solidarity fund. Automatic adjustment of outstanding pensions to annual changes in national-average wages. Assistance available to low-income invalids not receiving pension.	Widow's pension: 50% of pension paid or payable to insured, paid at age 65 or at 60 if invalid. Also payable to dependent widower. Child's supplement: 10% of pension if 3 children reared. Automatic adjustment of outstanding pensions to annual changes in national-average wages. Funeral grant: 90 days' earnings of deceased.	Ministry of Labor, general supervision. Directorate of Social Security, in Ministry, direct supervision and issuance of regulations. National Social Security Fund, coordination of regional funds and financial equalization. Regional Social Security Funds, administration of old-age and survivor pensions, in 16 regions; private bodies managed by boards elected by local funds. Primary (local) Social Security Funds, registration of insured and administration of invalidity pensions; about 125 private bodies managed by boards elected 3/4 by insured persons and 1/4 by employers. Contributions collected by joint collection agencies.
Sickness benefit: 50% of earnings, rising to 66 2/3% after 30 days if 3 or more children. Payable after 3-day waiting period for normal maximum of 12 months; payable for up to 3 years for chronic or prolonged illness, if special qualifying conditions met. Maternity benefit: 50% of earnings, payable for up to 6 weeks before and 8 weeks after confinement; after 30 days, raised to 66 2/3% of earnings if 3 or more children. Nursing benefit or milk coupons of 5-20 frs. a month also provided for 4 months.	Medical benefits: Cash refunds of part of medical expenses. General and specialist care, hospitalization, laboratory services, medicines, dental care, maternity care, appliances, and transportation. Insured normally pays for services, and is then reimbursed by local primary fund for 80% of amounts provided for such services in negotiated and approved fee schedules (reimbursement rate for some services up to 100%, while actual rate in absence of agreed schedule may be below 80%). Duration: No limit.	Medical benefits for dependents: Same as for insured person. Wife of insured person also receives nursing benefit or milk coupons after childbirth.	Ministry of Labor, general supervision. Directorate of Social Security, in Ministry, direct supervision and issuance of regulations. National Social Security Fund, coordination of regional funds and financial equalization. Regional Social Security Funds, coordination of local funds and negotiation of fee schedules with regional professional associations, in 16 regions. Primary (local) Social Security Funds, registration of insured, and payment of cash benefits and refunds of medical expenses. Contributions collected by joint collection agencies.
Temporary disability benefit (work injury): 50% of earnings during first 28 days; 66 2/3% thereafter. Payable from 1st day following incapacity for work.	Permanent disability pension (work injury): 100% of average earnings during last 12 months, if 100% disability. Constant-attendance supplement: 40% of pension. Partial disability: Pension equal to percent of average earnings obtained by reducing by half that part of the percentage of disability that does not exceed 50% and by increasing by half that part that does exceed 50%. Medical benefits (work injury): All necessary care, including medical treatment and surgery, hospitalization, medicines, appliances, and transport. Services paid for directly by fund, with no cost-sharing by patient.	Widow's pension (work injury): 30% of earnings of insured, or 50% if age 60 or invalid. Also payable to widower. Orphans' pensions (work injury): 15% of earnings for each of first 2 children under 16, and 10% for 3rd and each additional child. If full orphans, 20% of earnings each. Other dependent relatives: 10% of earnings each, up to maximum of 30%. Maximum survivor pensions: 85% of earnings of insured. Funeral grant: Cost of burial.	Ministry of Labor, general supervision. Directorate of Social Security, in Ministry, direct supervision and issuance of regulations. National Social Security Fund, coordination of regional funds and financial equalization. Regional Social Security Funds, coordination of program in 16 regions, including fixing of contribution rates. Primary (local) Social Security Funds, payment of benefits and medical expenses. Contributions collected by joint collection agencies.
Unemployment allowance (after income test): Up to 4.20 frs. a day in larger cities, 4.10 frs. in other cities, and 3.85 frs. in rural areas. Dependents' supplements: 1.80, 1.75, or 1.65 frs. a day for nonemployed spouse or dependent parent. Maximum allowance: 66 2/3% of average earnings of household.			Ministry of Labor, national administration of program. Department employment offices, supervision of local exchanges and decision of claims. Local employment exchanges, receiving and investigation of claims. Municipalities, payment of allowances; also, receipt of claims if no exchange in locality.
Family allowance: 22% for 2nd child, and 33% for 3rd and each other child, of current "base wage" (latter now 276.50 francs a month in Paris, up to 8% less elsewhere). If a child over age 10, allowance 7% of wage higher; if over 15, 15% higher. Single wage allowance (in addition to above): 20% each of 194.50 francs for 1st and 2nd child, 10% for 3rd. Prenatal allowance: 22% of above base wage for 9 months. Birth grant: 200% of above base wage for each birth.			Ministry of Labor, general supervision. Directorate of Social Security, in Ministry, direct supervision and issuance of regulations. National Social Security Fund, coordination of funds and financial equalization. Family Allowance [illegible] administration of program for [illegible] districts and occupations; [illegible] bipartite boards.

GERMANY (WEST)

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1889. Current law: 1911 (insurance code), as extensively amended in 1957. Social insurance system (1 mark equals 25 U.S. cents)	Wage earners and salaried employees, with separate system for each; provisions uniform for both systems. Exclusion: Salaried employees earning over 15,000 marks a year. Special systems for miners, public employees, self-employed artisans, and self-employed farmers.	Insured person: 7% of earnings (none if earnings below 10% of ceiling). Employer: 7% of payroll (14% for employee whose earnings below 10% of ceiling). Government: Annual subsidy of about 1/3 of cost of wage-earners' system and 1/5 that of salaried employees' system (in principle, covers non-old age costs). Maximum earnings for contribution purposes: 2 times national-average earnings in past 3 years (1964 ceiling, 1,120 marks a month).	Old-age pension: Age 65 (payable at age 60 if unemployed 1 year, or if woman with 10 years of employment in last 20 years). 180 months of contribution. Retirement unnecessary unless pension paid before 65. Pension not paid alien while residing abroad. Invalidity pension: Inability to exercise any gainful activity (general invalidity) or to earn 50% of normal wages in usual occupation (occupational invalidity). 60 months of contribution. Survivor pensions: Deceased had 60 months of contribution, or was pensioner, at death.
SICKNESS AND MATERNITY First law: 1883. Current law: 1911 (insurance code). Social insurance system (cash and medical benefits)	Employed persons. Pensioners also covered for medical benefits. Exclusion: Salaried employees earning over 7,920 marks a year. All persons covered required to be member of appropriate sickness fund. Special system for miners.	Insured person: 4% to 5.5% of earnings, according to fund. Employer: 4% to 5.5% of payroll, according to fund. Government: None. (Pension agencies pay 2/3 of employer-employee contribution to sickness funds for medical insurance of pensioners.) Maximum earnings for contribution and benefit purposes: 660 marks a month.	Cash sickness and medical benefits: Membership in sickness fund. Maternity benefits: 10 months of insurance in last 2 years, including 6 months in last year.
WORK INJURY First law: 1884. Current law: 1963. Compulsory insurance with semi-private carrier	Employed persons, most categories of self-employed persons, and students.	Insured person: None. Employer: Contributions varying according to risk; average, about 1.5% of payroll. Government: None.	Work-injury benefits: No minimum qualifying period.
UNEMP[illegible] Fir[illegible] 1927. Current law: 1957. Compulsory insurance system	Employees in private employment. Exclusions: Salaried employees earning over 15,000 marks a year; agricultural employees with yearly contracts; part-time employees; and family labor. Special systems for building workers and dock workers.	Insured person: 0.65% of earnings. Employer: 0.65% of payroll. Government: None (pays whole cost of unemployment assistance). Maximum earnings for contribution and benefit purposes: 750 marks a month.	Unemployment benefits: 26 weeks of insured employment in last 2 years. Capable of work, available for work, and registration at employment office. Unemployment not due to voluntary leaving, discharge for misconduct, strike or lockout, refusal of job offer, or refusal of training (disqualification 2-8 weeks).
FAMILY ALLOWANCES First and current law: 1954 (allowances for 2nd child provided by 1961 law). Employment-related system	Employed and self-employed persons, and social insurance beneficiaries, with 2 or more children.	Insured person: None, except about 1% of income by self-employed persons. Employer: 1% of payroll. Government: Whole cost of allowances for 2nd child.	Family allowances: Child must be under 18 (25 if student or invalid). Payable for 2nd child only if family earnings not over 600 marks a month.

GERMANY (WEST)

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Old-age pension: 1.5% of worker's assessed wages times years of insurance (latter include credited periods of incapacity, unemployment, and schooling after 15). Worker's "assessed wages" computed by applying average percentage which his wages were of national-average wages throughout coverage to national-average wages in last 3 years before claim (latter national-average wage figure for pensions awarded in 1964, 560 marks a month). Child's supplements: 10% of last 3 year national-average wage for each child (56 marks a month in 1964).	Invalidity pension: 1.5% of worker's assessed wages times years of insurance, for general invalidity (see Old-age pension for computation of assessed wages and years of insurance). Occupational invalidity: 1% of worker's assessed wages times years of insurance. Pensions computed as if worker insured to age 55, if 36 months of contribution in last 5 years or if contributions in 1/2 of months since entered insurance. Child's supplements: 10% of last 3 year national-average wage for each child (56 marks a month in 1964).	Widow's pension: 100% of general invalidity pension of insured, payable to all widows for 3 months. Thereafter, 60% of general invalidity pension if widow age 45, invalid, or caring for child; otherwise, 60% of occupational invalidity pension. Also payable to dependent widower. Orphans' pensions: 10% of general invalidity pension of insured, or 20% if full orphan, for each orphan under 18 (25 if unmarried student, no limit if invalid). Maximum survivor pensions: 100% of general invalidity pension of insured. Funeral grant: Lump sum of 20-40 days' earnings, or 3 months' pension if pensioner.	Federal Ministry of Labor and Social Affairs, general supervision. State Insurance Office in each State, administration of wage-earners' program in State. Federal Salaried Employees' Insurance Office, administration of program for salaried employees. Sickness funds, collection of contributions.
Sickness benefit: 65% of earnings, plus 4% of earnings for 1st and 3% each for 2nd and 3rd dependents. Payable after 1-day waiting period for up to 78 weeks in 3 years (during first 6 weeks, employer must pay wage earner difference between benefit and 100% of wages, and also pay full salary to salaried employee). Maternity benefit: 75-100% of earnings, according to fund, for 4-6 weeks before and 6 weeks after confinement. Nursing allowance: 50% of maternity benefit, for 12-26 weeks. Maternity grant: 10-25 marks, according to fund.	Medical benefits: Service benefits provided to patients by doctors, hospitals, and druggists under contract with and paid directly by sickness fund. General and specialist care, necessary hospitalization, prescribed medicines (small fee per prescription during first 10 days of illness), dental care, attendance of midwife or doctor at confinement, specified appliances, and travel expenses (some funds provide additional benefits). Duration: No limit, except 78 weeks for hospitalization in a 3-year period.	Medical benefits for dependents: Same as for insured, except that some funds require larger cost-sharing for medicines. Wife of insured man also receives same maternity grant as insured woman, and small nursing allowance.	Federal Ministry of Labor and Social Affairs, general supervision. State Insurance Office in each State, enforcement of law and regulations in State. Sickness funds, administration of contributions and benefits for members. Include about 2,000 local, establishment, occupational, agricultural, and miner's funds; managed by elected representatives of insured persons and employers, and federated into state and national federations.
Temporary disability benefit (work injury): Same as for ordinary sickness, including supplementary payments by employer. Usually paid by sickness fund for first 18 days, if worker covered under sickness insurance; thereafter, borne by accident insurance fund.	Permanent disability pension (work injury): 66 2/3% of earnings, if totally disabled; minimum and maximum pension, 90 and 2,000 marks a month. Special supplement (if cannot work and no other pension): 10% of earnings. Constant-attendance supplement: 100-350 marks a month. Child's supplements: 10% of pension for each child under 18. Partial disability: Percent of full pension corresponding to loss of earning capacity, if latter 20% or more. Medical benefits (work injury): Comprehensive care. Usually provided by sickness fund during first 18 days, unless specialized care required.	Widow's pension (work injury): 40% of earnings of insured if age 45, invalid, or caring for child; otherwise, 30% of earnings. Also payable to dependent widower. Orphans' pensions (work injury): 20% of earnings for each orphan under 18 (25 if student, no limit if invalid), or 30% if full orphan. Parents or grandparents (if needy): 20% for 1, 30% for couple, 60% for 4. Maximum survivor pensions: 80% of earnings of insured. Funeral grant: Lump sum of 1 month's earnings; minimum, 400 marks.	Federal Ministry of Labor and Social Affairs, general supervision. Federal Insurance Office, in Ministry, direct supervision. Industrial and agricultural accident insurance funds, insurance carriers and administration of program; autonomous associations managed by elected employer and employee representatives. Employer must affiliate with association for his industry and region.
Unemployment benefit: 40%-90% of earnings, varying inversely according to wage class. Dependents' supplements: 9 marks a week each for wife and 1st child, 3 marks for 2nd child. Payable after 3-day waiting period (unless recipient has dependents), for up to 13-52 weeks according to weeks of insured employment; 156 weeks of employment in last 3 years required for 52-week maximum. (Unemployment assistance payable after exhaustion of benefits, subject to income test.)			Federal Ministry of Labor and Social Affairs, general supervision. Federal Placement and Unemployment Insurance Institute, administration of benefits and employment service through regional and local employment offices; Institute and offices managed by tripartite board and committees. Sickness funds, collection of contributions.
Family allowance: 25 marks a month for 2nd child, and 40 marks for 3rd and each additional eligible child in a family.			Federal Placement and Unemployment Insurance Institute, administration of allowances for 2nd child. Union of Federations of Family Equalization Funds, national administration and equalization of costs for other allowances. Family Equalization Funds, administration of allowances and contributions; include about 50 funds for different industrial branches, and for districts in case of agricultural funds, set up within the accident insurance funds.

ITALY

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1919. Current law: 1952. Social insurance system (1 lira equals 0.16 of 1 U.S. cent)	Employed persons. Special systems for seamen, industrial managers, liberal professions, railway employees, journalists, public employees, self-employed artisans, and self-employed farmers.	Insured person: 6.65% of earnings. Employer: 13.35% of payroll, plus small wage-class contribution equal to about 0.1% of payroll. Government: Contribution equal to 6.65% of total covered earnings, plus special grants.	Old-age pension: Age 60 (men) or 55 (women). 15 years of contribution. Pension reduced 1/3 if no retirement. Payable abroad. Invalidity pension: Loss of 66 2/3% (wage earners) or 50% (salaried employees) of earning capacity. 5 years of contribution, including 12 months in last 5 years. Survivor pensions: Deceased was pensioner at death, or had 5 years of contribution including 12 months in last 5 years.
SICKNESS AND MATERNITY First and current laws: 1912 (maternity), 1927 (tuberculosis), 1943 (sickness). Social insurance system (cash and medical benefits)	Employed persons, and pensioners. Special systems for seamen, liberal professions, railway employees, journalists, public employees, self-employed artisans, and self-employed farmers.	Insured person: 0.15% of earnings. Employer: About 9-11% of payroll according to occupation, plus contribution for medical care of pensioners. (Includes 2% for tuberculosis insurance.) Government: Special grants.	Sickness and maternity benefits: Currently insured. No minimum qualifying period, except for salaried employees who must be insured during last 30 days to receive medical benefits (not entitled to cash benefits). Tuberculosis benefit: 2 years of contribution, including 12 months in last 5 years.
WORK INJURY First law: 1898. Current law: 1935. Social insurance system	Employed persons. Special systems for seamen and self-employed farmers.	Insured person: None. Employer: 2 to 7.6% of payroll, according to industry (average contribution about 3.7% of payroll). Government: None.	Work-injury benefits: No minimum qualifying period.
UNEMPLOYMENT First law: 1919. Current law: 1939. Compulsory insurance system	Employees in private employment. Exclusions: Domestic servants, and occasional and seasonal workers.	Insured person: None. Employer: 2.3% of payroll. Industrial employers also pay 0.2% of payroll to special "wage supplement fund." Government: None.	Unemployment benefit: 2 years of insurance, and 52 weeks of contribution in last 2 years. Capable of work, employable, available for work, and registered at employment office. Unemployment not due to voluntary leaving, dismissal for misconduct, refusal of suitable offer or refusal of prescribed training (disqualification for 30 days).
FAMILY ALLOWANCES First law: 1936. Current law: 1961. Employment-related system	Employees and social insurance beneficiaries, with 1 or more children or other dependent. Special systems for agriculture, insurance and credit, tax collectors, and journalists.	Insured person: None. Employer: 17.5% of payroll (110 lire a day for agricultural employees). Government: Subsidy toward allowances for agricultural employees.	Family allowance: Child must be under 18 (26 if student, no limit if invalid). Other eligible dependents: Wife, invalid husband, and aged or invalid parent or grandparent, if their other income is below 10,000 lire a month.

ITALY

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Old-age pension: For men, annual pension equal to 72 times 45% of first 1,500 lire of lifetime basic contributions, plus 35% of next 1,500 lire, plus 30% of rest. Women: 72 times 33% of first 1,500 lire of contributions, plus 26% of next 1,500 lire, plus 20% of rest. Increment for deferral of pension: Men, 6-40% of pension if deferred 1-5 years; women, 3-40% if deferred 1-10 years. Minimum pensions: 12,000 lire a month (15,000 lire if deferred to 65); maximum, 80% of average earnings. Child's supplement: 10% of pension for each child under 18 or invalid. 13th monthly pension paid each December.	Invalidity pension: For men, annual pension equal to 72 times 45% of first 1,500 lire of lifetime basic contributions, plus 35% of next 1,500 lire, plus 30% of rest. Women: 72 times 33% of first 1,500 lire of contributions, plus 26% of next 1,500 lire, plus 20% of rest. Minimum pension: 15,000 lire a month; maximum, 80% of average earnings. Child's supplement: 10% of pension for each child under 18 or invalid. 13th monthly pension paid each December.	Widow's pension: 50% of pension paid or payable to insured. Also payable to invalid widower. Orphans' pensions: 20% of pension of insured for each orphan under 18 or invalid, or 30% if full orphan. Parents (in absence of above): 15% of pension of insured for each parent. Maximum survivor pensions: 100% of pension of insured. Funeral grant: Lump sum of 20,000 lire for wage earners; varies by industry for salaried employees.	Ministry of Labor and Social Welfare, general supervision. National Social Insurance Institute, administration of program through its branch offices; managed by tripartite governing body. Separate institutes or funds administer special systems.
Sickness benefit (wage earners only): 50% of earnings for 1st 20 days; 66 2/3% thereafter. Payable after 3-day waiting period, for up to 180 days (may be extended in special cases). Tuberculosis benefit: 300 lire a day while in sanatorium, and 700 lire a day after leaving latter. Maternity benefit (wage earners only): 80% of earnings, payable for up to 13 weeks before and 8 weeks after confinement.	Medical benefits: Service benefits provided by doctors and hospitals under contract with and paid directly by Institute. General and specialist care, hospitalization, prescribed medicines, 50% or more of cost of dental care, attendance of midwife or doctor at confinement, specified appliances, and spa treatment. Duration: 180 days in a year. Tuberculosis insurance provides curative and convalescent care in sanatorium, post-sanatorium care, and rehabilitation; no time limit.	Medical benefits for dependents: Same as for insured. Tuberculosis benefit for dependents: 300 lire a day for 1st 6 months, and 200 lire a day for next 6 months.	Ministry of Labor and Social Welfare, general supervision. National Sickness Insurance Institute, administration of program through regional and district offices; managed by tripartite governing body. National Social Insurance Institute, administration of tuberculosis insurance program; Institute operates own sanatoria.
Temporary disability benefit (work injury): 60% of earnings for first 90 days of disability; 75% thereafter. Payable after waiting period of 3 days.	Permanent disability pension (work injury): 100% of earnings, if totally disabled. Maximum pension, 450,000 lire a year. Constant-attendance supplement: Up to 180,000 lire a year. Dependents' supplements: 5% of pension for wife and each child under 18 or invalid. Partial disability: Percent of full pension proportionate to degree of incapacity, if over 10% disability. Medical benefits (work injury): Medical, surgical, and hospital care; appliances; and rehabilitation.	Widow's pension (work injury): 33 1/3% of earnings of insured. Also payable to aged or invalid widower. Orphans' pensions (work injury): 13 1/3% of earnings for each orphan under 18 or invalid, or 26.7% if full orphan. Parent (in absence of above): 13 1/3% of earnings for each parent. Maximum survivor pensions: 66 2/3% of earnings of insured. Survivor grant: Lump sum of up to 550,000 lire, according to category of dependents surviving.	Ministry of Labor and Social Welfare, general supervision. National Accident Insurance Institute, administration of program through provincial offices; managed by tripartite governing body. Institute operates own traumatological centers and hospitals. Separate funds administer special systems.
Unemployment benefit: 300 lire a day. Dependents' supplements: 120 lire a day for dependent spouse, each child, and dependent parent. Maximum duration: 180 days in a year. Certain categories of workers in specified localities may receive assistance grants if ineligible for ordinary benefits. Industrial wage earners also receive "wage supplements" equal to 66 2/3% of lost wages, if employed less than 40 hours a week (paid from wage-supplement fund); payable indefinitely if working 24 hours a week or more, or otherwise for 3 months.			Ministry of Labor and Social Welfare, general supervision. National Social Insurance Institute, administration of program through its branch offices. Also administers wage-supplement fund. Placement offices receive, investigate, and pay claims in localities where no office of Institute is located.
Family allowance: 4,940 lire a month for 1st and each other child. Adult dependents: 3,588 lire a month for spouse, and 1,430 lire for each dependent parent or grandparent.			Ministry of Labor and Social Welfare, general supervision. National Social Insurance Institute, administration of program through Central Family Allowances Fund. Individual employers pay allowances directly to own employees (except in agriculture), and settle only surplus or deficit of contributions due with local branch of Institute.

LUXEMBOURG

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First laws: 1911 (wage earners) and 1931 (salaried employees). Current laws: 1925 and 1946 (wage earners) and 1951 (salaried employees). Social insurance system (1 franc equals 2 U.S. cents)	Wage earners and salaried employees, with separate systems for each. Special systems for miners, railroad employees, public employees, self-employed artisans, self-employed merchants, and self-employed farmers.	Insured person: 5% of wages or salary. Employer: 5% of wages and salaries paid. Government: About 50% of cost of basic pensions and of administration; part of cost-of-living increases in pensions; and any deficit. Maximum salary for contribution and benefit purposes (salaried employees only): 15,720 francs a month.	Old-age pension: Age 65 (payable to wage earners at 62 if 40 years of insurance, and to salaried employees at 60-55 if 15 years). 10 years (wage earners) or 5 years (salaried employees) of contribution. Retirement necessary only if pension drawn before age 65. Government share of pension not payable abroad, unless reciprocal agreement. Invalidity pension: Loss of 2/3 of earning capacity. 5 years of contribution, or 10 years if alien (wage earners); or 40 months of contribution, with average of 8 months a year (salaried employees). Survivor pensions: Deceased was pensioner, or met contribution requirements for invalidity pension, at death.
SICKNESS AND MATERNITY First law: 1901. Current laws: 1925 and 1954 (wage earners) and 1951 (salaried employees). Social insurance system (cash and medical benefits)	Wage earners and salaried employees, with separate systems for each. Pensioners also covered for medical benefits. Persons covered must become member of sickness fund; voluntary membership permitted for those not covered compulsorily. Special systems for railroad employees, self-employed artisans, and self-employed farmers.	Insured person: 4% (wage earners) or 2.6% (salaried employees) of earnings. Pensioners, 2.6% of pensions. Employer: 2% of wages paid and 1.3% of salaries paid. Pension institutions, 1.3% of pensions paid. Government: 50% of administrative costs. Maximum earnings for contribution purposes: 380 francs a day (wage earners) or 9,450 francs a month (salaried employees).	Sickness benefits: Membership in sickness fund. Funds may require 6 months of membership before payment of benefit above statutory minimum. Maternity benefits: 10 months of membership in fund during last 2 years, including 6 months in last year.
WORK INJURY First law: 1902. Current laws: 1925 and 1954. Social insurance system	Employees, and self-employed farmers and family workers in agriculture. Voluntary insurance for self-employed not covered compulsorily.	Insured person: None. Employer: From about 0.5% to 11% of payroll, according to risk. Government: 50% of cost of administration, and part of cost-of-living increases in pensions. Maximum salary for contribution and benefit purposes (salaried employees only): 15,720 francs a month.	Work-injury benefits: No minimum qualifying period.
UNEMPLOYMENT First law: 1921. Current law: 1945. Unemployment assistance	Citizens normally employed in industry or commerce, and recent graduates of schools.	Insured person: None. Employer: None. Government: Whole cost; 3/4 borne by national government, 1/8 by locality of residence, and 1/8 by locality where unemployment occurs.	Unemployment allowances: 200 days of work in last year (up to 100 days may be credited for illness). Other income less than prescribed amount (see column 5 for income test). Luxembourg citizenship, unless specifically exempted. Capable of and seeking work, and registration at employment office. Unemployment not due to voluntary leaving, strike provoked to receive allowance, or refusal of suitable offer.
FAMILY ALLOWANCES First laws: 1947 (employees) and 1954 (nonemployees). Current law: 1959. Dual employment-related and general systems	Employee system: Employees and social insurance beneficiaries, with 1 or more children. General system: Permanent residents other than employees, with 1 or more children.	Insured person: Employees, none. Nonemployees, special income tax. Employer: 1.7 to 5.32% of wages, according to industry, and 2.2-3.3% of salaries (employee system only). Government: 169 francs a month for 3rd child, and cost of allowances for 4th and other children (employee system); excess cost over income taxes collected (general system). Maximum earnings for contribution purposes: 15,720 francs a month (salaried employees only).	Family allowances: Child must be under 19 (23 if student, no limit if invalid without means). Alien employee must have 1 year of residence, for receipt of allowance under employee system. Child must be citizen or his custodial parent a permanent resident, for receipt of allowance under general system.

LUXEMBOURG

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Old-age pension: Basic pension of 1,690 francs a month. Plus, increment of 1.6% of total insured earnings (wage earners) or 16% of total employee contributions (salaried employees). Child's supplements: 135 francs a month (wage earners) or 370 francs (salaried employees) for each child under 18. Minimum and maximum pensions: 3,038 francs a month, and 5/6 of average earnings. Special allowances paid to low-income pensioners from National Solidarity Fund to assure specified minimum total income. Automatic adjustment of pensions for 5% changes in cost-of-living index (amounts shown above based on index of 135, with January 1948 as 100).	Invalidity pension: Basic pension of 1,690 francs a month. Plus, increment of 1.6% of total insured earnings (wage earners) or 16% of total employee contributions (salaried employees). Child's supplements: 135 francs a month (wage earners) or 370 francs (salaried employees) for each child under 18. Minimum and maximum pensions: 3,038 francs a month, and 5/6 of average earnings. Special allowances paid to all low-income pensioners from National Solidarity Fund to assure specified minimum total income. Automatic adjustment of pensions for 5% changes in cost-of-living index (amounts shown above based on index of 135, with January 1948 as 100).	Widow's pension: Basic pension of 1,130 francs a month, plus 50% (wage earners) or 60% (salaried employees) of increment earned by insured. Also payable to invalid dependent widower. Orphans' pensions: 565 francs a month, plus 20% of increment earned by insured, for each orphan under 18 (23 if student, no limit if invalid). Maximum survivor pensions: 100% of total pension of deceased. Automatic adjustment of pensions for 5% changes in cost-of-living index (amounts shown above based on index of 135, with January 1948 as 100). Funeral grant: Lump sum of 1/15 of annual earnings, or 25 months' contributions if pensioner.	Ministry of Labor and Social Security, general supervision. Old-Age and Invalidity Insurance Institution, administration of program for wage earners; managed by tripartite governing body, and united with Accident Insurance Association in Social Insurance Office, the chairman of which is government official. Private Salaried Employees' Pension Fund, administration of program for salaried employees; managed by employee-employer governing body. National Solidarity Fund, administration of allowances for low-income pensioners; public corporation.
Sickness benefit: 55-70% of earnings, according to fund (statutory minimum, 50%). Payable after 2-day waiting period, for up to 26 weeks (may be extended to 39 weeks). Maternity benefit: 70% of earnings, payable for 6 weeks before and 6 weeks after confinement. Nursing allowance: 5 francs a day or 15% of earnings, according to fund, payable for up to 12 weeks.	Medical benefits: Service benefits, ordinarily provided by doctors and hospitals under contract with and paid directly by sickness funds (salaried employee funds operate mainly on 80%-refund basis). General and specialist care, hospitalization, laboratory services, maternity care, transport, dental care and prosthesis, 75-85% of cost of medicines (some variation among funds). Duration: Unlimited, except 26 weeks for hospitalization.	Medical benefits for dependents: 80-100% of cost of medical and dental care; 75-100% of cost of hospitalization and medicines; maternity services of midwife, or doctor if necessary; and nursing allowance of 5 francs a day (some variation among funds).	Ministry of Labor and Social Security, supervision of program through its Inspectorate of Social Institutions. Three regional and 7 establishment sickness funds, administration of contributions and benefits for wage earners; 7 other funds administer program for salaried employees. Funds managed by elected committees, composed of representatives of insured persons and employers.
Temporary disability benefit (work injury): 75% of earnings. Payable from 1st day of incapacity, for up to 13 weeks.	Permanent disability pension (work injury): 80% of average earnings during last year, if totally disabled. Constant-attendance supplement: 20% of earnings. Child's supplement: 10% of pension for each child under age 18. Partial disability: Percent of full pension proportionate to wage loss; lump sum if pension less than 10% of temporary disability benefit. Automatic adjustment of pensions for 5% changes in cost-of-living index. Medical benefit (work injury): Necessary care, including medical treatment and surgery, hospitalization, medicines, and appliances.	Widow's pension (work injury): 40% of earnings of insured, or 50% if over 50 or invalid. Dependent invalid widower, 40% of earnings. Orphans' pensions (work injury): 20% of earnings for each orphan under age 18. Other eligible survivors (in absence of above): Parents and grandparents. Maximum survivor pensions: 80% of earnings of insured. Automatic adjustment of pensions for 5% changes in cost-of-living index. Funeral grant: Lump sum of 1/15 of annual earnings.	Ministry of Labor and Social Security, general supervision. Accident Insurance Association, administration of program; contains separate branches for nonagricultural and agricultural insurance; united with Old-Age and Invalidity Insurance Institution in Social Insurance Office, the chairman of which is government official.
Unemployment allowance (after income test): Up to 60% of below-ceiling earnings; maximum benefit, 192 francs a day. Other income in excess of 25% of allowance deducted from allowance. Payable after 2-day waiting period, for up to 26 weeks in 1 year (shorter duration for certain aliens).			National Labor Office, administration of program and payment of allowances. Local employment offices and clerks of local governments, receiving of claims.
Family allowance: Employees, 500 francs a month for each of first 4 children; increases progressively by 54 francs for 5th and each other child. Nonemployees: 135 francs a month for each of first 2 children, and 500 francs for 3rd, 4th, and any invalid child; increases progressively by 54 francs for 5th and each other child. Birth grant: 5,670 francs for 1st, and 3,375 francs for other births. Automatic adjustment of allowances for 5% changes in cost of living.			Employee system: Administered for wage earners by Old-Age and Invalidity Insurance Institution, and for salaried employees by Private Salaried Employees' Pension Fund. Nonemployee system: Administered by Children Allowances Fund, with tripartite managing committee; Fund also administers all birth grants.

NETHERLANDS

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1913. Current laws: 1956 (old age), 1959 (survivors), and 1962 (invalidity). Social insurance system (1 guilder equals 27.6 U.S. cents)	All residents. Special system for public employees.	Insured person: 8.1% of net income payable by all residents age 15-64. Employer: 1.5% of payroll. Government: Contributions for low-income persons, and any deficits. Maximum earnings for contribution purposes: 10,900 guilders a year.	Old-age pension: Age 65. Contributions paid each year from 15 to 64, for full pension; otherwise decrements apply (no decrements for pre-1947 period, if resident citizen and 6 years of residence after age 58). Retirement unnecessary. Payable abroad. Invalidity pension: Loss of 80% of earning capacity in suitable occupation. 150 weeks of contribution. Survivor pensions: Deceased was insured, and survivor is widow of specified category or full orphan.
SICKNESS AND MATERNITY First law: 1913. Current laws: 1929 (cash benefits) and 1941 (medical benefits). Social insurance system (separate but interlocking programs of cash and medical benefits)	Employees earning not more than 10,900 guilders a year. Must enroll in approved sickness fund. Voluntary coverage for medical benefits available to other persons and pensioners, if annual income below specified levels. Special systems for miners, railroad employees, public employees, seamen, and certain other groups.	Insured person: 3.4% of earnings. Pensioners, 5.5 or 11 guilders a month, according to marital status. Employer: From about 3% to 9% of payroll, according to risk in industry. Government: None, except subsidy for voluntary low-income contributors.	Sickness and maternity benefits: Membership in approved sickness fund (i.e., in covered employment or voluntary member); no minimum contribution period.
WORK INJURY First law: 1901. Current laws: 1921 (industry) and 1922 (agriculture). Compulsory insurance with public or private carrier	Employed persons. Separate systems for agricultural employees and seamen.	Insured person: None. Employer: Whole cost, through insurance premiums varying with risk; average rate, about 2% of payroll. Government: None. Maximum earnings for contribution and benefit purposes: 10,900 guilders a year.	Work-injury benefits: No minimum qualifying period.
UNEMPLOYMENT First law: 1916. Current law: 1949. Dual industry and general compulsory insurance systems	Employees earning not more than 10,900 guilders a year. Exclusions: Domestic servants, temporary employees, and public employees. Most employees covered under both an industry "waiting benefit" system and general unemployment benefit system; rest covered only under latter.	Insured person: From about 1 to 5% of earnings, according to industry (includes 0.3% for general program, and remainder for industry waiting-benefit program). Employer: From about 1% to 5% of payroll, according to industry (includes 0.3% for general program, and remainder for industry waiting-benefit program). Government: 0.6% of total covered earnings (for general program only). Also, cost of social assistance.	Unemployment benefits: For industry waiting benefits, 156 days of employment in industry concerned during last 12 months. For general unemployment benefits, 78 days of employment in any industry during last 12 months. Capable of work; available for and prepared to accept work; making sufficient effort to find work; and registration at public labor exchange. Unemployment not due to voluntary leaving, dismissal for misconduct, strike or lockout, refusal of suitable offer, or refusal to undergo prescribed training.
FAMILY ALLOWANCES First laws: 1939 (employees) and 1951 (self-employed). Current laws: 1962. Dual employment-related and general systems	Employees, self-employed persons of limited income, and social insurance beneficiaries, with 1 or more children; and all other residents with 3 or more children.	Insured person: Employee, none. Self-employed and non-employed, 2% of net income. Employer: 5.3% of payroll. Government: Whole cost of allowances for 1st and 2nd child of self-employed persons, and for pensioners. Maximum earnings for contribution purposes: 10,900 guilders a year	Family allowances: Child must be under age 16 (27 if student or invalid). Self-employed must earn less than 4,000 guilders a year to receive allowances for 1st and 2nd child. Non-employed receive allowances only from 3rd child.

NETHERLANDS

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Old-age pension: Full pension, 1,770 guilders a year. Reduced by decrement of 2% for each year of non-contribution. Wife's supplement (irrespective of age): About 55% of pension. Automatic half-yearly adjustment of all pensions for each 3% change in wage index.	Invalidity pension: 3,924 guilders a year. Partial invalidity: 3,186 guilders a year if 66 2/3-79% invalidity, or 2,454 guilders if 55-66% invalidity. Automatic half-yearly adjustment of all pensions for each 3% change in wage index.	Widow's pension: 2,034 guilders a year, or 2,910 guilders if caring for 1 or more children. Payable to widow age 50 at husband's death, 50% incapacitated, or caring for child under 18. Temporary widow's allowance (if ineligible for pension): 2,034 guilders a year. Payable for 6 months to widow under 27, and extended by 1 month for each year by which widow is over 26, to maximum of 24 months. Orphans' pensions: About 1/3 of widow's pension for each full orphan under age 10, 1/2 if age 10-16, and 2/3 if age 16 or over. Automatic half-yearly adjustment of all pensions for each 3% change in wage index.	Ministry of Social Affairs and Public Health, general supervision. Social Insurance Bank, administration of pensions with assistance of employer-employee regional Labor Councils; Bank managed by tripartite board. National revenue department, collection of contributions.
Sickness benefit: 80% of earnings. Payable after 3-day waiting period for up to 52 weeks. Maternity benefit: 100% of earnings, payable for 6 weeks before and 6 weeks after confinement. Maternity grant: Lump sum of 55 guilders.	Medical benefits: Service benefits provided by doctors, hospitals, and druggists under contract with and paid directly by sickness funds. General and specialist care, hospitalization, laboratory services, medicines, limited dental care, obstetric care, appliances, and transportation. Patient shares cost of sanatorium care, artificial limbs, and transportation. Maximum duration: No limit, except 70 days for hospitalization.	Medical benefits for dependents: Same as for insured person. Maternity grant: Lump sum of 55 guilders payable to wife of insured man.	Ministry of Social Affairs and Public Health, general supervision. Industrial association for each industry, administration of cash benefits within industry; approved joint employer-employee bodies with compulsory nation-wide membership and bipartite governing boards. District and local offices of associations receive and pay claims. Approved sickness funds, administration of medical benefits; supervision by tripartite Sickness Funds Council. About 115 funds now operating.
Temporary disability benefit (work injury): 80% of earnings during first 6 weeks; thereafter, 70% of earnings. Payable from first day of incapacity for up to 1 year.	Permanent disability pension (work injury): 70% of earnings, if totally disabled. Constant-attendance supplement: 30% of earnings. Partial disability: Pension equal to 70% of wage loss; may be commuted to lump sum under specified conditions. Medical benefits (work injury): Medical treatment, surgery, dental treatment, hospitalization, medicines, and appliances.	Widow's pension (work injury): 30% of earnings of insured. Also payable to invalid widower. Orphans' pensions (work injury): 15% of earnings for each orphan under age 16, or 20% if full orphan. Other eligible dependents (if above pensions below maximum): Parents, grandparents, parents-in-law, grand children, up to 30% of earnings. Maximum survivor pensions: 60% of earnings of insured. Funeral grant: Lump sum of 30 days' earnings.	Ministry of Social Affairs and Public Health, general supervision. Social Insurance Bank, administration of program. Employers must insure with Bank, unless authorized by it to insure with special accident insurance association or private company.
Unemployment benefits: Minimum rate for waiting benefits and rate of general benefits: 70% of going earnings in insured's occupation (60% if youth or not living alone). Supplement for dependent: 10% of earnings. Waiting period: Varies among industries, as fixed by industrial association. Maximum duration: Employees under industry systems receive waiting benefits for 48 days, and then general benefits for 78 days. Others receive general benefits for 126 days. (Social assistance for needy unemployed exhausting benefit rights.)			Ministry of Social Affairs and Public Health, general supervision. General Unemployment Fund, administration of general unemployment benefits and supervision of waiting benefits; directed by tripartite board. Industrial association for each industry, administration of waiting benefits within industry. District and local offices of associations receive and pay claims.
Family allowance: 19.50 guilders a month for 1st child, rising to 32.50 guilders a month for 6th and each additional child.			Ministry of Social Affairs and Public Health, general supervision. Industrial associations, administration of allowances within each industry; larger employers pay allowances to own employees and settle surplus or deficit of contributions due with association. Social Insurance Bank, administration of allowances for non-employees and pensioners, with assistance of regional Labor Councils.

SWEDEN

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1913. Current law: 1962. Dual universal pension and social insurance system (1 crown equals 19.3 U.S. cents)	Universal pensions: All resident citizens, and aliens covered by reciprocity agreements. Supplementary pensions: All employees and self-employed persons earning over "base amount" (self-employed may elect not to be covered). "Base amount" is equal to 4,000 crowns a year, plus automatic monthly adjustments for price-level changes since 1957. Current base amount: 4,700 crowns a year.	Insured person: Universal pensions--4% of income payable by all taxpayers 18-65; maximum tax, 600 crowns a year. Supplementary pensions--employees, nothing; self employed, employer contribution. Employer: Universal pensions--nothing. Supplementary pensions--7% of wages of each employee between base amount and 7 1/2 times same (now 4,700-35,000 crowns a year). Rate rises 0.5% a year to 9.5% in 1969. Government: Universal pensions--about 70% of cost. Supplementary pensions--nothing.	Old-age pension: Both pensions--age 67 (or 63-66 with 0.6% reduction per month). Universal pension--no contribution or income test. Supplementary pension--3 years' coverage (aliens, 10 years unless treaty). Retirement unnecessary for either pension. Invalidity pension: Both pensions--5/6 loss of working capacity, or 1/2 loss for partial pension. Universal pension--no contribution or income test. Supplementary pension--3 years' coverage (aliens, 5 years and reciprocity treaty). Survivor pensions: Universal pension--widow or orphan of specified age. Supplementary pension--deceased was pensioner or had 3 years' coverage.
SICKNESS AND MATERNITY First laws: 1891 (cash benefits) and 1931 (medical benefits). Current law: 1962. Social insurance system (cash and medical benefits).	Cash benefits: Gainfully occupied persons earning 1,800 crowns a year or more, and most housewives. Medical benefits: All residents (children under 16 covered by parents' insurance).	Insured person: In Stockholm, 75 crowns a year for medical benefits; and 70-269 crowns a year for cash benefits, according to income. Elsewhere, about 1/5 less, on average. No contribution if income under 2,400 crowns a year or, if pensioner. (Covers about 1/2 of cost.) Employer: 1.5% of payroll, excluding wages above 22,000 crowns a year. (Covers about 1/4 of cost.) Government: 50% of cost of basic cash benefits, refunds of doctors' fees, and maternity grants; most hospital costs; part of medicine costs; contributions of low-income persons; and other subsidies. (Covers about 1/4 of cost.)	Sickness and medical benefits and maternity grant: No minimum qualifying period. Cash maternity benefit: Insured for 9 months prior to confinement at earnings rate of 2,600 crowns a year or more.
WORK INJURY First law: 1901. Current law: 1954 (benefits during 1st 90 days provided under 1962 social insurance law). Compulsory insurance with public or private carrier	Employees in private and public employment. Exclusions: Family labor, and public employees with equivalent protection.	Insured person: None (though contributes to sickness insurance which provides benefits for 1st 90 days). Employer: Whole cost, through insurance premiums varying with risk (plus contributions to sickness insurance). Government: None (though provides subsidies to sickness insurance).	Work-injury benefits: No minimum qualifying period.
UNEMPLOYMENT First law: 1934. Current law: 1956. Subsidized voluntary insurance system	Employees belonging to approved unemployment funds established voluntarily by trade unions. Membership in fund usually compulsory for union members, but must also be open to voluntary affiliation of any employee in industry concerned; over half of all employees now belong to funds. Ineligible for membership: Employees under 15 or over maximum age fixed by fund; persons unfit for employment; family labor; and employees in industries where no fund exists.	Insured person: Varies with fund; flat contribution in some cases, and wage-class contributions in others (covers about 1/3 of cost). Employer: None. Government: Subsidies to unemployment funds as follows--Up to 5 crowns per day of unemployment for which benefit paid, grant varying with each fund's incidence of unemployment, and subsidy toward each dependent's supplement paid (covers about 2/3 of cost).	Unemployment benefit: Membership in and contributions to unemployment fund for 52 weeks of employment, including 20 weeks in last 12 months. Capable of work, not prevented from undertaking work, and registration at public employment office. Unemployment not due to voluntary leaving, misconduct, involvement in labor dispute, or refusal of suitable offer (disqualification usually 4 weeks).
FAMILY ALLOWANCES First and current law: 1947. Universal public system	All residents, with 1 or more children.	Insured person: None. Employer: None. Government: Whole cost.	Family allowances: Child must be under age 16 (19 if student).

SWEDEN

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Universal old-age pension: 4,230 crowns a year (90% of current base amount). Wife's supplement: 50% of pension if age 67 or invalid, or after income test if 60-66. Child's supplement: 27.8% of pension per child under 16. Housing supplement (after income test): Up to 2,100 crowns a year. Increment of 0.6% of pension per month pension deferred till age 70. Pensions vary with price changes. Supplementary old-age pension: 3% of average earnings between 4,700-35,000 crowns during coverage or best 15 years, times years of coverage (2% after 1990); maximum, 60%. Increment of 0.6% of pension per month pension deferred till age 70. Past earnings and pensions in force adjusted for price changes.	Universal invalidity pension: 4,230 crowns a year (90% of current base amount). Wife's supplement: 50% of pension if age 67 or invalid, or after income test if 60-66. Child's supplement: 27.8% of pension per child under 16. Housing supplement (after income test): Up to 2,100 crowns a year. Partial invalidity: 2/3 of pension for 67-83% invalidity, 1/3 for 50-66%. Pensions vary with price changes. Supplementary invalidity pension: 3% of average earnings between 4,700-35,000 crowns, times years of coverage if had worked to 65; maximum, 60% of earnings. Partial invalidity: 2/3 of pension for 67-83% invalidity, 1/3 for 50-66%. Earnings and pensions adjusted for price changes.	Universal widow's pension: 4,230 crowns a year, if has child under 16 or was age 50 at husband's death. Varies automatically with prices. Reduced pension (age 36-49 and no child): Full pension reduced by 1/15 for each year under age 50. Housing supplement (after income test): Up to 1,400 crowns a year. Universal orphan's pension: 1,175 crowns a year per orphan under 16, or 1,645 crowns if full orphan. Supplementary survivor pensions: Widow--40% of pension of insured, or 35% if children. Orphans--15% for 1st (40% if full orphan), 10% for each other orphan. Adjusted for price changes.	Ministry of Social Affairs, general supervision. National Social Insurance Board, administration of program through regional and local social insurance bodies. Contributions for universal system and from self-employed collected by local tax authorities; those of employers by National Social Insurance Board. Fund for supplementary pensions managed by 3 tripartite boards for public employment, private employment by large firms, and private employment by small firms and self employment.
Sickness benefit: 5 crowns a day (all covered persons), plus supplement of 1-23 crowns a day according to 13 income classes (for persons earning at least 2,600 crowns a year). Child's supplements: 1 crown a day for 1-2 children under 16, 2 crowns for 3-4, and 3 crowns for 5 or more. Payable after 3-day waiting period, for duration of illness. Maternity benefit: 1-23 crowns a day, according to 13 income-classes, payable for up to 180 days. Maternity grant: Lump sum of 900 crowns.	Medical benefits: Cash refunds of part of medical expenses, and some service benefits. Refund of 75% of doctors' and outpatient fees, according to schedule, and of travel costs; free hospitalization in ward of public hospital; free medicines for some chronic diseases, and other medicines at half price; cost of confinement, including care in maternity ward; limited dental care, including free care for school children; and specified appliances. Duration: No limit, except 180 days for hospitalization if age 67.	Medical benefits for dependents: Same as for family head. Maternity grant: Lump sum of 900 crowns.	Ministry of Social Affairs, general supervision. National Social Insurance Board, administration of program through regional and local social insurance bodies. Contributions of insured persons paid with income tax.
Temporary disability benefit (work injury): 5-28 crowns a day, according to income class. Child's supplements: 1 crown a day for 1-2 children, 2 crowns for 3-4, and 3 crowns for 5 or more. Payable after 3-day waiting period, until recovery or certification of permanent incapacity (paid by sickness insurance for first 90 days, and under work-injuries insurance thereafter).	Permanent disability pension (work injury): 11/12 of earnings, if totally disabled (compensable earnings include first 7,200 crowns a year, 75% of next 7,200-10,800, and 50% of other earnings below 15,000 crowns). Maximum pension, 11,000 crowns a year. Constant-attendance supplement: Up to 1,800 crowns a year. Wife's supplement: 1,440 crowns. Partial disability: Percent of full pension proportionate to degree of disability, if exceeds 10%. Medical benefit (work injury): Same as for ordinary sickness (provided by sickness insurance for first 90 days).	Widow's pension (work injury): 33 1/3% of compensable earnings of insured, or 25% after age 67. Dependent widower may receive same pension, as a maximum. Orphans' pensions (work injury): 16 2/3% of earnings for each orphan under 16 (21, if invalid). Parents: 16 2/3% of earnings, if dependent and if other pensions below maximum. Maximum survivor pensions: 83 1/3% of compensable earnings. Funeral grant: 600 crowns.	Ministry of Social Affairs, general supervision. National Social Insurance Board, administration of program through regional and local bodies. Employers must insure liability either with Board or with private insurance company.
Unemployment benefit: Up to 20 crowns a day, according to fund and wage class of employee. Dependents' supplements: 2 crowns a day for spouse and each child under 16. Payable after 6-day waiting period, for up to 156 days. (Unemployment relief or assistance may be provided to needy persons exhausting benefit rights.)			National Labor Market Board, supervision of application of law. Trade-union unemployment funds, administration of program in individual industries and trades throughout country, after approval by Board; funds managed by governing bodies composed of union officials and a government representative (about 50 funds in operation). Local branches of funds, collection of contributions along with union dues, and administration of benefits in close collaboration with local employment offices.
Family allowance: 500 crowns a year for each eligible child, or 600 crowns if student age 16-18.			National Social Welfare Board, national administration of program. Local social welfare offices and child-welfare boards, administration of allowances locally.

UNITED KINGDOM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First laws: 1908 (old-age pensions), 1911 (invalidity insurance), and 1925 (old-age and survivors insurance). Current laws: 1946 (national insurance) and 1948 (national assistance). Social insurance system (£1 equals U.S. $2.80; 1s. equals 14 cents; 1d. equals about 1 cent)	All residents (coverage optional for married women, and for self-employed and nonemployed persons whose income below £208 a year). Graduated provisions cover only employees whose wages are above £9 a week (contracting out from graduated provisions permitted if private plan provides equivalent benefits).	Insured person: Employee, 8s3 1/2d (men) or 7s2 1/2d (women) a week, plus 4 1/4% of weekly wages between £9-18 (contracted-out man, 10s8 1/2d; women, 8s8 1/2d). Self-employed, 13s4d (men) or 11s (women). Non-employed, 10s2d (men) or 7s10d (women). Employer: 8s3 1/2d (men) or 7s2 1/2d (women) a week, plus 4 1/4% of weekly wages between £9-18 (contracted-out men, 10s8 1/2d; women, 8s8 1/2d). Government: Amount equal to 1/4 of above flat contributions (1/3 for self and non-employed); lump-sum subsidy; and full cost of national assistance. Above flat and government contributions also finance cash sickness, maternity, and unemployment benefits.	Old-age pension: Age 65 (men) or 60 (women). 156 weeks of paid contributions, and annual average of 50 weeks paid or credited (reduced pension if 13-49 weeks). Retirement necessary until age 70 (men) or 65 (women); pension reduced by earnings over £5 5s. a week. Payable abroad, except later increases. Invalidity pension: Incapacity for work. 156 weeks of paid contributions as employee or self-employed, and 50 weeks paid or credited in last year. Survivor pensions: 156 weeks of paid contributions, and annual average of 50 weeks paid or credited (reduced pension if 13-49 weeks). For full orphans, 1 parent insured (no minimum contribution period).
SICKNESS AND MATERNITY First law: 1911. Current laws: 1946 (national insurance and national health service laws). Dual social insurance (cash benefits) and national health service (medical care) systems	Cash sickness and maternity benefits: Employed and self-employed persons (coverage optional for married women, and for self-employed persons whose income below £208 a year). Maternity grants: All mothers. Medical care: All residents.	Insured person: For cash benefits, see flat pension contributions above. For national health service, 2s8 1/2d a week (male employee), 2s0 1/2d (female employee), 2s10d (other men), or 2s2d (other women). Employer: For cash benefits, see flat pension contributions above. For national health service, 7 1/2d per employee a week. Government: For cash benefits, see pension contributions and subsidy above. For national health service, about 80% of total cost.	Cash sickness benefit: 26 weeks of paid contributions as employee or self-employed, and 50 weeks paid or credited in last year (reduced benefit if 26-49 weeks). Cash maternity benefit: 26 weeks of paid contributions in last year as employee or self-employed, and 50 weeks paid or credited (reduced benefit if 26-49 weeks). Maternity grants: 26 weeks of paid contributions by woman or husband, and 26 weeks paid or credited in last year. Medical care: Residence in country (no other conditions).
WORK INJURY First law: 1897. Current law: 1946. Social insurance system	All employees. Special system of supplementary benefits for miners.	Insured person: 8d. a week (men) or 5d. (women). Employer: 9d. a week (men) or 6d. (women) Government: Contribution equal to 1/5 of total contributions paid by employees and employers.	Work-injury benefits: No minimum qualifying period.
UNEMPLOYMENT First law: 1911. Current laws: 1946 (national insurance) and 1948 (national assistance). Compulsory insurance system	All employees (coverage optional for married women).	Insured person: See flat pension contributions above. Employer: Same. Government: See pension contributions and subsidy above; also, full cost of national assistance.	Unemployment benefit: 26 weeks of paid contributions as employee, and 50 weeks paid or credited in last year (reduced benefit if 26-49 weeks). Capable of and available for work, and registration at employment exchange. Unemployment not due to voluntary leaving, industrial misconduct, direct participation in trade dispute, refusal of suitable job offer, or failure to follow up job or training opportunity (disqualification up to 6 weeks).
FAMILY ALLOWANCES First and current law: 1945. Universal public system	Residents, with 2 or more children.	Insured person: None. Employer: None. Government: Whole cost.	Family allowances: Child must be under age 15 (16 if invalid, 19 if student). 26 weeks of residence in last 12 months (aliens must have, in addition, 156 weeks of residence in last 4 years).

UNITED KINGDOM

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Flat old-age pension: £3 7s.6d. a week. Dependents' supplements: £2 1s.6d. for noninsured wife over 60; £1 for 1st child; and 12s. for each other child. Increment for deferred retirement: 1s. a week for each 12 weeks of contribution after pensionable age (1s.6d. if noninsured wife over 60). Graduated old-age pension (if not contracted-out): 6d. a week for every £7 10s. (man) or £9 (woman) of graduated employee contributions paid during lifetime (payable in addition to flat pension). (National assistance payable to aged persons whose resources below needs.)	Invalidity pension: £3 7s.6d. a week (represents ordinary sickness benefit, whose duration unlimited if qualifying conditions met--there is no invalidity benefit as such). Dependents' supplements: £2 1s.6d. for 1 adult dependent; £1 for 1st child; and 12s. for each other child. Reduced rates for married women and youths. (National assistance payable to invalids whose resources below needs; special rates for tuberculous and blind.)	Temporary widow's benefit (1st 13 weeks for all widows): £4 15s. a week plus £1 10s. for 1st child and £1 2s. for each other child. Widowed mother's benefit (if child in care): £4 17s.6d. a week, plus £1 2s. for 2nd and each other child. Widow's pension (if age 50 at husband's death or when last child ineligible): £3 7s.6d. a week. Full orphans (guardian's benefit): £1 17s.6d. a week per child. Funeral grant: £25. Graduated widow's pension (if not contracted-out): 50% of graduated pension earned by husband before death, payable at age 60. (National assistance payable to survivors whose resources below needs.)	Ministry of Pensions and National Insurance, administration of flat contributions and flat and graduated pensions through its regional and local offices. Inland Revenue Department, collection of graduated contributions. Registrar of Non-Participating Employments, certification of contracted-out plans (plans must provide equivalent pensions, preserve pension rights if employment ends, and be financially sound). National Assistance Board, administration of assistance through its regional and area offices.
Sickness benefit: £3 7s.6d. a week, plus £2 1s6d. for 1 adult dependent, £1 for 1st child, and 12s. for each other child. Payable after 3-day waiting period (no waiting period if 12 days lost within 13 weeks), for up to 52 weeks; duration unlimited after 156 weeks of contribution. Maternity benefits: £3 7s.6d. a week, plus £2 1s.6d. for 1 adult dependent, £1 for 1st child, and 12s. for each other child; payable for 11 weeks before and 7 weeks after confinement. Also, lump-sum maternity grant of £16, plus an additional £6 if confinement in home or at own expense.	Medical benefits: Medical services provided by doctors and druggists under contract with and paid directly by national health service, and by public hospitals. General practitioner care, specialist services, hospitalization, maternity care, dental care, medicines, appliances, and home nursing. Patients pay 1s. for each prescription item, £1 for each dental treatment (except children and expectant or new mothers), 10s. for each spectacle lens, and about 50% of cost of dentures. Duration: No limit.	Medical benefits for dependents: Same as for family head. Wife also receives same lump-sum maternity grants as working woman.	Ministry of Pensions and National Insurance, administration of contributions and cash benefits through its regional and local offices. Ministry of Health, general administration of medical services through national health service. Medical services administered locally by Executive Council for each local health authority area (general medical, dental, and pharmaceutical services); about 15 Regional Hospital Boards; and local health authorities (home nursing, midwifery, etc.)
Temporary disability benefit (work injury): £5 15s. a week. Dependents' supplements: £2 1s.6d. for 1 adult dependent; £1 for 1st child; and 12s. for each other child. Reduced rates for married women and youths. Payable after 3-day waiting period (no waiting period if 12 days of incapacity), for up to 26 weeks.	Permanent disability pension (work injury): £5 15s. a week for 100% disablement. Unemployability supplement of £3 7s.6d. a week, and dependents' supplements, payable if total incapacity permanent. Constant-attendance supplement: Up to £2 10s. (in exceptional cases, £5). Partial disablement: From 23s. a week for 20% to £5 3s.6d. for 90% disablement (lump sum of up to £380 for 1-19%). Special hardship supplement of up to £2 6s. if change in occupation necessary. Medical benefits (work injury): Provided under national health service.	Widow's pension (work injury): £4 15s. a week for 13 weeks. Thereafter, £3 15s. if caring for child, invalid, age 50 at husband's death, or age 40 when children reach age limit. Widower's pension (work injury): £3 15s. a week, if invalid and dependent. Orphans' pensions (work injury): £1 10s. a week for 1st child, £1 2s. for each other child (£1 and 12s., if not in widow's care). Other eligible survivors: Parents (first priority) and other relatives previously dependent on insured.	Ministry of Pensions and National Insurance, administration of cash benefits through its regional and local offices. Ministry of Health, administration of medical benefits through national health service.
Unemployment benefit: £3 7s.6d. a week. Dependents' supplements: £2 1s.6d. for 1 adult dependent; £1 for 1st child; and 12s. for each other child. Reduced rates for married women and youths. Payable after 3-day waiting period (unless 12 days lost within 13 weeks), for up to 180 days for one spell. After 5 years of insurance, extended 3 days for each 5 weeks of contribution in last 10 years, minus 1/10 of benefit days in last 4 years; overall maximum duration, 492 days. (National assistance payable to unemployed whose resources below needs.)			Ministry of Pensions and National Insurance, administration of contributions and records. Ministry of Labor, administration of benefits through its regional offices and employment exchanges; includes receipt, decision, and payment of claims. National Assistance Board, administration of assistance through its regional and area offices.
Family allowance: 8s. a week for 2nd child, and 10s. for 3rd and each other child.			Ministry of Pensions and National Insurance, administration of program through its regional and local offices.

OLD AGE, INVALIDITY, AND SURVIVORS INSURANCE

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1924. Current laws: 1955 (wage earners), 1956 (self employed), and 1957 (salaried employees). Invalidity pensions provided under sickness insurance. Social insurance system (1 franc equals 2 U.S. cents)	Gainfully occupied persons; coverage effected through 3 separate systems for wage earners, salaried employees, and self-employed. Special systems for miners, railroad employees, seamen, and public employees. (Coverage for invalidity pensions same as for sickness and maternity below.)	Insured person: 5% of earnings (1965, 5.25%; 1966, 5.5%). Employer: 6% of payroll (1965, 6.75%; 1966, 7%). Government: Annual subsidies, according to rising scale. Maximum earnings for contribution and benefit purposes (salaried employees only): 9,000 francs a month. (Invalidity pensions financed through sickness and maternity insurance.)	Old-age pension: Age 65 (men) or 60 (women); payable up to 5 years earlier, with 5% reduction a year. For full pension, actual or credited employment in all years from 1926; or 45 years for men and 40 for women; otherwise, proportionately reduced pension. Substantial retirement necessary. Pensions not payable abroad; those of aliens reduced 20% unless reciprocity. Invalidity pension: Loss of 2/3 of earning capacity in usual occupation. 6 months' coverage, including 120 days of actual work (3 months and 60 days, if below 25), and coverage during last quarter. Survivor pensions: Coverage during last 12 months, and in 1/2 of period since age 20, or 1926 if later; otherwise, proportionately reduced pension.

FRANCE

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1910. Current law: 1945. Social insurance system (1 franc equals 20.3 U.S. cents)	Nonagricultural employees (general system covering about 70% of employees). Special systems for agricultural employees, miners, railroad employees, public utility employees, seamen, public employees, nonagricultural self-employed, and agricultural self-employed.	Insured person: 6% of earnings. Employer: 14.25% of payroll. Government: None. Maximum earnings for contribution and benefit purposes: 970 francs a month. Above contributions also finance sickness and maternity benefits.	Old-age pension: Age 60. 30 years of insurance, or 15-29 years for reduced pension (if 5-14 years, 50% of contributions paid as annuity at 65; if 1-4 years, contributions refunded at 65). Retirement unnecessary. Pensions not paid aliens while abroad, unless reciprocal agreement. Invalidity pension: Loss of all working capacity (total invalidity), or 2/3 of earning capacity (partial invalidity), in any occupation. Entry into insurance 12 months before incapacity, and 480 hours of employment in last 12 months, including 120 hours in last 3 months. Survivor pensions: Deceased met insurance requirements for old-age or invalidity pension, or was pensioner, at death.

GERMANY (F.R.)

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1889. Current law: 1911 (insurance code), as extensively amended in 1957. Social insurance system (1 mark equals 25 U.S. cents)	Wage earners and salaried employees, with separate system for each; provisions uniform for both systems. Exclusion: Salaried employees earning over 15,000 marks a year. Special systems for miners, public employees, self-employed artisans, and self-employed farmers.	Insured person: 7% of earnings (none if earnings below 10% of ceiling). Employer: 7% of payroll (14% for employee whose earnings below 10% of ceiling). Government: Annual subsidy of about 1/3 of cost of wage-earners' system and 1/5 that of salaried employees' system (in principle, covers non-old age costs). Maximum earnings for contribution purposes: 2 times national-average earnings in past 3 years (1964 ceiling, 1,120 marks a month).	Old-age pension: Age 65 (payable at age 60 if unemployed 1 year, or if woman with 10 years of employment in last 20 years). 180 months of contribution. Retirement unnecessary unless pension paid before 65. Pension not paid alien while residing abroad. Invalidity pension: Inability to exercise any gainful activity (general invalidity) or to earn 50% of normal wages in usual occupation (occupational invalidity). 60 months of contribution. Survivor pensions: Deceased had 60 months of contribution, or was pensioner, at death.

ITALY

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1919. Current law: 1952. Social insurance system (1 lira equals 0.16 of 1 U.S. cent)	Employed persons. Special systems for seamen, industrial managers, liberal professions, railway employees, journalists, public employees, self-employed artisans, and self-employed farmers.	Insured person: 6.65% of earnings. Employer: 13.35% of payroll, plus small wage-class contribution equal to about 0.1% of payroll. Government: Contribution equal to 6.65% of total covered earnings, plus special grants.	Old-age pension: Age 60 (men) or 55 (women). 15 years of contribution. Pension reduced 1/3 if no retirement. Payable abroad. Invalidity pension: Loss of 66 2/3% (wage earners) or 50% (salaried employees) of earning capacity. 5 years of contribution, including 12 months in last 5 years. Survivor pensions: Deceased was pensioner at death, or had 5 years of contribution including 12 months in last 5 years.

OLD AGE, INVALIDITY, AND SURVIVORS INSURANCE

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First laws: 1911 (wage earners) and 1931 (salaried employees). Current laws: 1925 and 1946 (wage earners) and 1951 (salaried employees). Social insurance system (1 franc equals 2 U.S. cents)	Wage earners and salaried employees, with separate systems for each. Special systems for miners, railroad employees, public employees, self-employed artisans, self-employed merchants, and self-employed farmers.	Insured person: 5% of wages or salary. Employer: 5% of wages and salaries paid. Government: About 50% of cost of basic pensions and of administration; part of cost-of-living increases in pensions; and any deficit. Maximum salary for contribution and benefit purposes (salaried employees only): 15,720 francs a month.	Old-age pension: Age 65 (payable to wage earners at 62 if 40 years of insurance, and to salaried employees at 60-55 if 15 years). 10 years (wage earners) or 5 years (salaried employees) of contribution. Retirement necessary only if pension drawn before age 65. Government share of pension not payable abroad, unless reciprocal agreement. Invalidity pension: Loss of 2/3 of earning capacity. 5 years of contribution, or 10 years if alien (wage earners); or 40 months of contribution, with average of 8 months a year (salaried employees). Survivor pensions: Deceased was pensioner, or met contribution requirements for invalidity pension, at death.

NETHERLANDS

OLD AGE, INVALIDITY, DEATH First law: 1913. Current laws: 1956 (old age), 1959 (survivors), and 1962 (invalidity). Social insurance system (1 guilder equals 27.6 U.S. cents)	All residents. Special system for public employees.	Insured person: 8.1% of net income payable by all residents age 15-64. Employer: 1.5% of payroll. Government: Contributions for low-income persons, and any deficits. Maximum earnings for contribution purposes: 10,900 guilders a year.	Old-age pension: Age 65. Contributions paid each year from 15 to 64, for full pension; otherwise decrements apply (no decrements for pre-1947 period, if resident citizen and 6 years of residence after age 58). Retirement unnecessary. Payable abroad. Invalidity pension: Loss of 80% of earning capacity in suitable occupation. 150 weeks of contribution. Survivor pensions: Deceased was insured, and survivor is widow of specified category or full orphan.

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions

SWEDEN

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First law: 1913. Current law: 1962. Dual universal pension and social insurance system (1 crown equals 19.3 U.S. cents)	Universal pensions: All resident citizens, and aliens covered by reciprocity agreements. Supplementary pensions: All employees and self-employed persons earning over "base amount" (self-employed may elect not to be covered). "Base amount" is equal to 4,000 crowns a year, plus automatic monthly adjustments for price-level changes since 1957. Current base amount: 4,700 crowns a year.	Insured person: Universal pensions--4% of income payable by all taxpayers 18-65; maximum tax, 600 crowns a year. Supplementary pensions--employees, nothing; self employed, employer contribution. Employer: Universal pensions--nothing. Supplementary pensions--7% of wages of each employee between base amount and 7 1/2 times same (now 4,700-35,000 crowns a year). Rate rises 0.5% a year to 9.5% in 1969. Government: Universal pensions--about 70% of cost. Supplementary pensions--nothing.	Old-age pension: Both pensions--age 67 (or 63-66 with 0.6% reduction per month). Universal pension--no contribution or income test. Supplementary pension--3 years' coverage (aliens, 10 years unless treaty). Retirement unnecessary for either pension. Invalidity pension: Both pensions--5/6 loss of working capacity, or 1/2 loss for partial pension. Universal pension--no contribution or income test. Supplementary pension--3 years' coverage (aliens, 5 years and reciprocity treaty). Survivor pensions: Universal pension--widow or orphan of specified age. Supplementary pension--deceased was pensioner or had 3 years' coverage.

UNITED KINGDOM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
OLD AGE, INVALIDITY, DEATH First laws: 1908 (old-age pensions), 1911 (invalidity insurance), and 1925 (old-age and survivors insurance). Current laws: 1946 (national insurance) and 1948 (national assistance). Social insurance system (£1 equals U.S. $2.80; 1s. equals 14 cents; 1d. equals about 1 cent)	All residents (coverage optional for married women, and for self-employed and nonemployed persons whose income below £208 a year). Graduated provisions cover only employees whose wages are above £9 a week (contracting out from graduated provisions permitted if private plan provides equivalent benefits).	Insured person: Employee, 8s3 1/2d (men) or 7s2 1/2d (women) a week, plus 4 1/4% of weekly wages between £9-18 (contracted-out man, 10s8 1/2d; women, 8s8 1/2d). Self-employed, 13s4d (men) or 11s (women). Non-employed, 10s2d (men) or 7s10d (women). Employer: 8s3 1/2d (men) or 7s2 1/2d (women) a week, plus 4 1/4% of weekly wages between £9-18 (contracted-out men, 10s8 1/2d; women, 8s8 1/2d). Government: Amount equal to 1/4 of above flat contributions (1/3 for self and non-employed); lump-sum subsidy; and full cost of national assistance. Above flat and government contributions also finance cash sickness, maternity, and unemployment benefits.	Old-age pension: Age 65 (men) or 60 (women). 156 weeks of paid contributions, and annual average of 50 weeks paid or credited (reduced pension if 13-49 weeks). Retirement necessary until age 70 (men) or 65 (women); pension reduced by earnings over £5 5s. a week. Payable abroad, except later increases. Invalidity pension: Incapacity for work. 156 weeks of paid contributions as employee or self-employed, and 50 weeks paid or credited in last year. Survivor pensions: 156 weeks of paid contributions, and annual average of 50 weeks paid or credited (reduced pension if 13-49 weeks). For full orphans, 1 parent insured (no minimum contribution period).

OLD AGE, INVALIDITY, AND SURVIVORS INSURANCE

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Old-age pension: For full pension, 60% (single person) or 75% (married person) of average lifetime earnings; in computing average, earnings for each past year revalued for changes in retail price index. Reduced pension (if full qualifying period not met): Percentage of full pension corresponding to proportion of period completed. Automatic adjustment of outstanding pensions to 2.5% changes in retail price index.	Invalidity pension: 60% of earnings. Maximum pension: 410 francs a month. Automatic adjustment of outstanding pensions to 2.5% changes in retail price index.	Widow's pension: 60% of old-age pension of insured. Payable to widow age 45, 2/3 incapacitated, or caring for child. Automatic adjustment of outstanding pensions to 2.5% changes in price index. Adaptation grant (widows not eligible for pension): Lump sum of 1 year's pension. Funeral grant: Lump sum of at least 15 days' maximum cash sickness benefit. (Special allowances for orphans paid under family allowance program.)	Ministry of Social Welfare, general supervision. National Social Security Office, in Ministry, collection of contributions and distribution to national agencies administering benefits. National Retirement and Survivors Pension Fund, administration of old-age and survivor pensions; managed by administrator representing Ministry, assisted by employee-employer council. National Sickness and Invalidity Insurance Institute, general administration of invalidity pensions.

FRANCE

Old-age pension: 20% of average earnings in last 10 years, or 40% if unfit for work or in arduous work (past earnings revalued for wage changes). Increment of 4% of earnings per year pension deferred after 60 (i.e., 40% of earnings payable at 65, 60% at 70). Reduced pension: 1/30 of full pension times years of insurance. Dependents' supplements: 50% of pension for spouse, 10% if 3 children reared. Special supplement of 700 francs a year paid low-income French pensioners from solidarity fund. Automatic adjustment of outstanding pensions to annual changes in national-average wages. Assistance or special allowance for former workers available to low-income aged not receiving pension.	Invalidity pension: 50% of average earnings in last 10 years, if totally disabled. Constant-attendance supplement: 40% of pension. Partial invalidity: 30% of earnings. Special supplement of 700 francs a year paid low-income French pensioners from solidarity fund. Automatic adjustment of outstanding pensions to annual changes in national-average wages. Assistance available to low-income invalids not receiving pension.	Widow's pension: 50% of pension paid or payable to insured, paid at age 65 or at 60 if invalid. Also payable to dependent widower. Child's supplement: 10% of pension if 3 children reared. Automatic adjustment of outstanding pensions to annual changes in national-average wages. Funeral grant: 90 days' earnings of deceased.	Ministry of Labor, general supervision. Directorate of Social Security, in Ministry, direct supervision and issuance of regulations. National Social Security Fund, coordination of regional funds and financial equalization. Regional Social Security Funds, administration of old-age and survivor pensions, in 16 regions; private bodies managed by boards elected by local funds. Primary (local) Social Security Funds, registration of insured and administration of invalidity pensions; about 125 private bodies managed by boards elected 3/4 by insured persons and 1/4 by employers. Contributions collected by joint collection agencies.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
GERMANY (F.R.)			
Old-age pension: 1.5% of worker's assessed wages times years of insurance (latter include credited periods of incapacity, unemployment, and schooling after 15). Worker's "assessed wages" computed by applying average percentage which his wages were of national-average wages throughout coverage to national-average wages in last 3 years before claim (latter national-average wage figure for pensions awarded in 1964, 560 marks a month). Child's supplements: 10% of last 3 year national-average wage for each child (56 marks a month in 1964).	Invalidity pension: 1.5% of worker's assessed wages times years of insurance, for general invalidity (see Old-age pension for computation of assessed wages and years of insurance). Occupational invalidity: 1% of worker's assessed wages times years of insurance. Pensions computed as if worker insured to age 55, if 36 months of contribution in last 5 years or if contributions in 1/2 of months since entered insurance. Child's supplements: 10% of last 3 year national-average wage for each child (56 marks a month in 1964).	Widow's pension: 100% of general invalidity pension of insured, payable to all widows for 3 months. Thereafter, 60% of general invalidity pension if widow age 45, invalid, or caring for child; otherwise, 60% of occupational invalidity pension. Also payable to dependent widower. Orphans' pensions: 10% of general invalidity pension of insured, or 20% if full orphan, for each orphan under 18 (25 if unmarried student, no limit if invalid). Maximum survivor pensions: 100% of general invalidity pension of insured. Funeral grant: Lump sum of 20-40 days' earnings, or 3 months' pension if pensioner.	Federal Ministry of Labor and Social Affairs, general supervision. State Insurance Office in each State, administration of wage-earners' program in State. Federal Salaried Employees' Insurance Office, administration of program for salaried employees. Sickness funds, collection of contributions.
ITALY			
Old-age pension: For men, annual pension equal to 72 times 45% of first 1,500 lire of lifetime basic contributions, plus 35% of next 1,500 lire, plus 30% of rest. Women: 72 times 33% of first 1,500 lire of contributions, plus 26% of next 1,500 lire, plus 20% of rest. Increment for deferral of pension: Men, 6-40% of pension if deferred 1-5 years; women, 3-40% if deferred 1-10 years. Minimum pensions: 12,000 lire a month ([illegible],000 lire if deferred to 65); maximum, 80% of average earnings. Child's supplement: 10% of pension for each child under 18 or invalid. 13th monthly pension paid each December.	Invalidity pension: For men, annual pension equal to 72 times 45% of first 1,500 lire of lifetime basic contributions, plus 35% of next 1,500 lire, plus 30% of rest. Women: 72 times 33% of first 1,500 lire of contributions, plus 26% of next 1,500 lire, plus 20% of rest. Minimum pension: 15,000 lire a month; maximum, 80% of average earnings. Child's supplement: 10% of pension for each child under 18 or invalid. 13th monthly pension paid each December.	Widow's pension: 50% of pension paid or payable to insured. Also payable to invalid widower. Orphans' pensions: 20% of pension of insured for each orphan under 18 or invalid, or 30% if full orphan. Parents (in absence of above): 15% of pension of insured for each parent. Maximum survivor pensions: 100% of pension of insured. Funeral grant: Lump sum of 20,000 lire for wage earners; varies by industry for salaried employees.	Ministry of Labor and Social Welfare, general supervision. National Social Insurance Institute, administration of program through its branch offices; managed by tripartite governing body. Separate institutes or funds administer special systems.

OLD AGE, INVALIDITY, AND SURVIVORS INSURANCE

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Old-age pension: Basic pension of 1,690 francs a month. Plus, increment of 1.6% of total insured earnings (wage earners) or 16% of total employee contributions (salaried employees). Child's supplements: 135 francs a month (wage earners) or 370 francs (salaried employees) for each child under 18. Minimum and maximum pensions: 3,038 francs a month, and 5/6 of average earnings. Special allowances paid to low-income pensioners from National Solidarity Fund to assure specified minimum total income. Automatic adjustment of pensions for 5% changes in cost-of-living index (amounts shown above based on index of 135, with January 1948 as 100).	Invalidity pension: Basic pension of 1,690 francs a month. Plus, increment of 1.6% of total insured earnings (wage earners) or 16% of total employee contributions (salaried employees). Child's supplements: 135 francs a month (wage earners) or 370 francs (salaried employees) for each child under 18. Minimum and maximum pensions: 3,038 francs a month, and 5/6 of average earnings. Special allowances paid to all low-income pensioners from National Solidarity Fund to assure specified minimum total income. Automatic adjustment of pensions for 5% changes in cost-of-living index (amounts shown above based on index of 135, with January 1948 as 100).	Widow's pension: Basic pension of 1,130 francs a month, plus 50% (wage earners) or 60% (salaried employees) of increment earned by insured. Also payable to invalid dependent widower. Orphans' pensions: 565 francs a month, plus 20% of increment earned by insured, for each orphan under 18 (23 if student, no limit if invalid). Maximum survivor pensions: 100% of total pension of deceased. Automatic adjustment of pensions for 5% changes in cost-of-living index (amounts shown above based on index of 135, with January 1948 as 100). Funeral grant: Lump sum of 1/15 of annual earnings, or 25 months' contributions if pensioner.	Ministry of Labor and Social Security, general supervision. Old-Age and Invalidity Insurance Institution, administration of program for wage earners; managed by tripartite governing body, and united with Accident Insurance Association in Social Insurance Office, the chairman of which is government official. Private Salaried Employees' Pension Fund, administration of program for salaried employees; managed by employee-employer governing body. National Solidarity Fund, administration of allowances for low-income pensioners; public corporation.

NETHERLANDS

Old-age pension: Full pension, 1,770 guilders a year. Reduced by decrement of 2% for each year of non-contribution. Wife' supplement (irrespective of age): About 55% of pension. Automatic half-yearly adjustment of all pensions for each 3% change in wage index.	Invalidity pension: 3,924 guilders a year. Partial invalidity: 3,186 guilders a year if 66 2/3-79% invalidity, or 2,454 guilders if 55-66% invalidity. Automatic half-yearly adjustment of all pensions for each 3% change in wage index.	Widow's pension: 2,034 guilders a year, or 2,910 guilders if caring for 1 or more children. Payable to widow age 50 at husband's death, 50% incapacitated, or caring for child under 18. Temporary widow's allowance (if ineligible for pension): 2,034 guilders a year. Payable for 6 months to widow under 27, and extended by 1 month for each year by which widow is over 26, to maximum of 24 months. Orphans' pensions: About 1/3 of widow's pension for each full orphan under age 10, 1/2 if age 10-16, and 2/3 if age 16 or over. Automatic half-yearly adjustment of all pensions for each 3% change in wage index.	Ministry of Social Affairs and Public Health, general supervision. Social Insurance Bank, administration of pensions with assistance of employer-employee regional Labor Councils; Bank managed by tripartite board. National revenue department, collection of contributions.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
SWEDEN			
<u>Universal old-age pension</u>: 4,230 crowns a year (90% of current base amount). Wife's supplement: 50% of pension if age 67 or invalid, or after income test if 60-66. Child's supplement: 27.8% of pension per child under 16. Housing supplement (after income test): Up to 2,100 crowns a year. Increment of 0.6% of pension per month pension deferred till age 70. Pensions vary with price changes. <u>Supplementary old-age pension</u>: 3% of average earnings between 4,700-35,000 crowns during coverage or best 15 years, times years of coverage (2% after 1990); maximum, 60%. Increment of 0.6% of pension per month pension deferred till age 70. Past earnings and pensions in force adjusted for price changes.	<u>Universal invalidity pension</u>: 4,230 crowns a year (90% of current base amount). Wife's supplement: 50% of pension if age 67 or invalid, or after income test if 60-66. Child's supplement: 27.8% of pension per child under 16. Housing supplement (after income test): Up to 2,100 crowns a year. Partial invalidity: 2/3 of pension for 67-83% invalidity, 1/3 for 50-66%. Pensions vary with price changes. <u>Supplementary invalidity pension</u>: 3% of average earnings between 4,700-35,000 crowns, times years of coverage if had worked to 65; maximum, 60% of earnings. Partial invalidity: 2/3 of pension for 67-83% invalidity, 1/3 for 50-66%. Earnings and pensions adjusted for price changes.	<u>Universal widow's pension</u>: 4,230 crowns a year, if has child under 16 or was age 50 at husband's death. Varies automatically with prices. Reduced pension (age 36-49 and no child): Full pension reduced by 1/15 for each year under age 50. Housing supplement (after income test): Up to 1,400 crowns a year. <u>Universal orphan's pension</u>: 1,175 crowns a year per orphan under 16, or 1,645 crowns if full orphan. <u>Supplementary survivor pensions</u>: Widow--40% of pension of insured, or 35% if children. Orphans--15% for 1st (40% if full orphan), 10% for each other orphan. Adjusted for price changes.	Ministry of Social Affairs, general supervision. National Social Insurance Board, administration of program through regional and local social insurance bodies. Contributions for universal system and from self-employed collected by local tax authorities; those of employers by National Social Insurance Board. Fund for supplementary pensions managed by 3 tripartite boards for public employment, private employment by large firms, and private employment by small firms and self employment.
UNITED KINGDOM			
<u>Flat old-age pension</u>: £3 7s.6d. a week. Dependents' supplements: £2 1s.6d. for noninsured wife over 60; £1 for 1st child; and 12s. for each other child. Increment for deferred retirement: 1s. a week for each 12 weeks of contribution after pensionable age (1s.6d. if noninsured wife over 60). <u>Graduated old-age pension</u> (if not contracted-out): 6d. a week for every £7 10s. (man) or £9 (woman) of graduated employee contributions paid during lifetime (payable in addition to flat pension). (National assistance payable to aged persons whose resources below needs.)	<u>Invalidity pension</u>: £3 7s.6d. a week (represents ordinary sickness benefit, whose duration unlimited if qualifying conditions met--there is no invalidity benefit as such). Dependents' supplements: £2 1s.6d. for 1 adult dependent; £1 for 1st child; and 12s. for each other child. Reduced rates for married women and youths. (National assistance payable to invalids whose resources below needs; special rates for tuberculous and blind.)	<u>Temporary widow's benefit</u> (1st 13 weeks for all widows): £4 15s. a week plus £1 10s. for 1st child and £1 2s. for each other child. <u>Widowed mother's benefit</u> (if child in care): £4 17s.6d. a week, plus £1 2s. for 2nd and each other child. <u>Widow's pension</u> (if age 50 at husband's death or when last child ineligible): £3 7s.6d. a week. <u>Full orphans</u> (guardian's benefit): £1 17s.6d. a week-per child. Funeral grant: £25. <u>Graduated widow's pension</u> (if not contracted-out): 50% of graduated pension earned by husband before death, payable at age 60. (National assistance payable to survivors whose resources below needs.)	Ministry of Pensions and National Insurance, administration of flat contributions and flat and graduated pensions through its regional and local offices. Inland Revenue Department, collection of graduated contributions. Registrar of Non-Participating Employments, certification of contracted-out plans (plans must provide equivalent pensions, preserve pension rights if employment ends, and be financially sound). National Assistance Board, administration of assistance through its regional and area offices.

SICKNESS AND MATERNITY INSURANCE

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
SICKNESS AND MATERNITY First law: 1894 (mutual benefit societies). Current law: 1963. Social insurance system (cash and medical benefits)	Employed persons (must enroll with mutual benefit society, or else with public auxiliary fund). Pensioners covered for medical benefits. Coverage of students, public utility employees, and self-employed for medical benefits also authorized. Special systems for miners, railroad employees, seamen, and public employees.	Insured person: 5.0% of earnings. Employer: 5.0% of payroll. Government: 32% of medical benefit costs (95% for specified serious diseases); 50% of invalidity pensions in 2nd and 3rd year of payment, 95% thereafter. Maximum earnings for contribution and benefit purposes: 11,550 francs a month; varies with retail price index.	Cash sickness and medical benefits: 6 months of insurance, including 120 days of actual work (3 months and 60 days, if below 25), and insurance during last quarter. Cash maternity benefits: 10 months of insurance immediately prior to confinement.

FRANCE

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
SICKNESS AND MATERNITY First law: 1928. Current law: 1945. Social insurance system (cash and medical benefits)	Nonagricultural employees (general system covering about 70% of employees). Also, pensioners covered for medical benefits. Special systems for agricultural employees, agricultural self-employed, miners, railroad employees, public utility employees, seamen, and public employees (medical benefits provided under general system for some groups).	Insured person: See pension contribution above. Employer: Same. Government: None.	Cash sickness and medical benefits: 60 hours of employment in last 3 months. For extended cash sickness benefit, entry into insurance 12 months before incapacity, and 480 hours of employment or involuntary unemployment in last 12 months, including 120 hours in last 3 months. Cash maternity benefits: Entry into insurance 10 months before confinement, and 60 hours of employment in last 3 months.

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
GERMANY (F.R.)			
SICKNESS AND MATERNITY First law: 1883. Current law: 1911 (insurance code). Social insurance system (cash and medical benefits)	Employed persons. Pensioners also covered for medical benefits. Exclusion: Salaried employees earning over 7,920 marks a year. All persons covered required to be member of appropriate sickness fund. Special system for miners.	Insured person: 4% to 5.5% of earnings, according to fund. Employer: 4% to 5.5% of payroll, according to fund. Government: None. (Pension agencies pay 2/3 of employer-employee contribution to sickness funds for medical insurance of pensioners.) Maximum earnings for contribution and benefit purposes: 660 marks a month.	Cash sickness and medical benefits: Membership in sickness fund. Maternity benefits: 10 months of insurance in last 2 years, including 6 months in last year.
ITALY			
SICKNESS AND MATERNITY First and current law: 1953. Social insurance system (cash maternity benefits only)	Gainfully employed women (maternity benefits), or resident women (maternity grants). (About 3/4 of population insured for medical care under Kupat Holim sickness fund of Labor Federation and other nonstatutory funds.)	Insured person: Employee, 0.3% of earnings; self-employed, 0.6% of income; nonemployed, 0.3% of income. Employer: 0.3% of payroll. Government: Eventual 0.27% of earnings (not yet begun). Maximum earnings for contribution purposes: 420 pounds a month.	Maternity benefit: 10 months of insurance as employed or self-employed woman in last 14 months (if only 10 months of insurance in last 18 months, benefit payable for 6 weeks only). Maternity grant: Currently insured or wife of insured man; confinement must take place in hospital.

SICKNESS AND MATERNITY INSURANCE

[Anaylsis of the Social Security Systems by type of risk]

LUXEMBOURG

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
SICKNESS AND MATERNITY First law: 1901. Current laws: 1925 and 1954 (wage earners) and 1951 (salaried employees). Social insurance system (cash and medical benefits)	Wage earners and salaried employees, with separate systems for each. Pensioners also covered for medical benefits. Persons covered must become member of sickness fund; voluntary membership permitted for those not covered compulsorily. Special systems for railroad employees, self-employed artisans, and self-employed farmers.	Insured person: 4% (wage earners) or 2.6% (salaried employees) of earnings. Pensioners, 2.6% of pensions. Employer: 2% of wages paid and 1.3% of salaries paid. Pension institutions, 1.3% of pensions paid. Government: 50% of administrative costs. Maximum earnings for contribution purposes: 380 francs a day (wage earners) or 9,450 francs a month (salaried employees).	Sickness benefits: Membership in sickness fund. Funds may require 6 months of membership before payment of benefit above statutory minimum. Maternity benefits: 10 months of membership in fund during last 2 years, including 6 months in last year.

NETHERLANDS

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
SICKNESS AND MATERNITY First law: 1913. Current laws: 1929 (cash benefits) and 1941 (medical benefits). Social insurance system (separate but interlocking programs of cash and medical benefits)	Employees earning not more than 10,900 guilders a year. Must enroll in approved sickness fund. Voluntary coverage for medical benefits available to other persons and pensioners, if annual income below specified levels. Special systems for miners, railroad employees, public employees, seamen, and certain other groups.	Insured person: 3.4% of earnings. Pensioners, 5.5 or 11 guilders a month, according to marital status. Employer: From about 3% to 9% of payroll, according to risk in industry. Government: None, except subsidy for voluntary low-income contributors.	Sickness and maternity benefits: Membership in approved sickness fund (i.e., in covered employment or voluntary member); no minimum contribution period.

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions

SWEDEN

SICKNESS AND MATERNITY First laws: 1891 (cash benefits) and 1931 (medical benefits). Current law: 1962. Social insurance system (cash and medical benefits).	Cash benefits: Gainfully occupied persons earning 1,800 crowns a year or more, and most housewives. Medical benefits: All residents (children under 16 covered by parents' insurance).	Insured person: In Stockholm, 75 crowns a year for medical benefits; and 70-269 crowns a year for cash benefits, according to income. Elsewhere, about 1/5 less, on average. No contribution if income under 2,400 crowns a year or if pensioner. (Covers about 1/2 of cost.) Employer: 1.5% of payroll, excluding wages above 22,000 crowns a year. (Covers about 1/4 of cost.) Government: 50% of cost of basic cash benefits, refunds of doctors' fees, and maternity grants; most hospital costs; part of medicine costs; contributions of low-income persons; and other subsidies. (Covers about 1/4 of cost.)	Sickness and medical benefits and maternity grant: No minimum qualifying period. Cash maternity benefit: Insured for 9 months prior to confinement at earnings rate of 2,600 crowns a year or more.

UNITED KINGDOM

SICKNESS AND MATERNITY First law: 1911. Current laws: 1946 (national insurance and national health service laws). Dual social insurance (cash benefits) and national health service (medical care) systems	Cash sickness and maternity benefits: Employed and self-employed persons (coverage optional for married women, and for self-employed persons whose income below £208 a year). Maternity grants: All mothers. Medical care: All residents.	Insured person: For cash benefits, see flat pension contributions above. For national health service, 2s8 1/2d a week (male employee), 2s0 1/2d (female employee), 2s10d (other men), or 2s2d (other women). Employer: For cash benefits, see flat pension contributions above. For national health service, 7 1/2d per employee a week. Government: For cash benefits, see pension contributions and subsidy above. For national health service, about 80% of total cost.	Cash sickness benefit: 26 weeks of paid contributions as employee or self-employed, and 50 weeks paid or credited in last year (reduced benefit if 26-49 weeks). Cash maternity benefit: 26 weeks of paid contributions in last year as employee or self-employed, and 50 weeks paid or credited (reduced benefit if 26-49 weeks). Maternity grants: 26 weeks of paid contributions by woman or husband, and 26 weeks paid or credited in last year. Medical care: Residence in country (no other conditions).

SICKNESS AND MATERNITY INSURANCE

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
<u>Sickness benefit</u>: 60% of earnings. Payable after 3-day waiting period (salaried employees, 30 days, during which employer must pay full wages), for up to 1 year; payable for additional 2 years if prolonged incapacity. <u>Maternity benefit</u>: 60% of earnings. Payable for 6 weeks before and 6 weeks after confinement (not payable to salaried employees during 30 days of paid maternity leave employers required by law to provide them).	<u>Medical benefits</u>: Cash refunds of part or all of medical expenses. General and specialist care, surgery, hospitalization, medicines, laboratory services, maternity care, dental care, nursing, and appliances. Insured normally pays for services, and is then reimbursed by society of which a member for up to 75% of amount listed for such services in official fee schedule; 100% reimbursement for ward care in hospital, specified serious diseases, specialist services, midwifery, appliances, and to pensioners. Duration: No limit.	<u>Medical benefits for dependents</u>: Same as for insured.	Ministry of Social Welfare, general supervision. National Social Security Office, in Ministry, collection of contributions. National Sickness and Invalidity Insurance Institute, coordination of program together with 2 Management Committees for cash and medical benefits. Local agencies paying benefits: (1) about 2,000 approved private mutual benefit societies, federated into 5 national unions; and (2) district offices of public auxiliary fund, for persons not belonging to mutual society.

FRANCE

<u>Sickness benefit</u>: 50% of earnings, rising to 66 2/3% after 30 days if 3 or more children. Payable after 3-day waiting period for normal maximum of 12 months; payable for up to 3 years for chronic or prolonged illness, if special qualifying conditions met. <u>Maternity benefit</u>: 50% of earnings, payable for up to 6 weeks before and 8 weeks after confinement; after 30 days, raised to 66 2/3% of earnings if 3 or more children. Nursing benefit or milk coupons of 5-20 frs. a month also provided for 4 months.	<u>Medical benefits</u>: Cash refunds of part of medical expenses. General and specialist care, hospitalization, laboratory services, medicines, dental care, maternity care, appliances, and transportation. Insured normally pays for services, and is then reimbursed by local primary fund for 80% of amounts provided for such services in negotiated and approved fee schedules (reimbursement rate for some services up to 100%, while actual rate in absence of agreed schedule may be below 80%). Duration: No limit.	<u>Medical benefits for dependents</u>: Same as for insured person. Wife of insured person also receives nursing benefit or milk coupons after childbirth.	Ministry of Labor, general supervision. Directorate of Social Security, in Ministry, direct supervision and issuance of regulations. National Social Security Fund, coordination of regional funds and financial equalization. Regional Social Security Funds, coordination of local funds and negotiation of fee schedules with regional professional associations, in 16 regions. Primary (local) Social Security Funds, registration of insured, and payment of cash benefits and refunds of medical expenses. Contributions collected by joint collection agencies.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization

GERMANY (F.R.)

Sickness benefit: [illegible]% of earnings, plus [illegible] of earnings for 1st and 3% each for 2nd and 3rd dependents. Payable after 1-day waiting period for up to 78 weeks in 3 years (during first 6 weeks, employer must pay wage earner difference between benefit and 100% of wages, and also pay full salary to salaried employee). Maternity benefit: 75-100% of earnings, according to fund, for 4-6 weeks before and 6 weeks after confinement. Nursing allowance: 50% of maternity benefit, for 12-26 weeks. Maternity grant: 10-25 marks, according to fund.	Medical benefits: Service benefits provided to patients by doctors, hospitals, and druggists under contract with and paid directly by sickness fund. General and specialist care, necessary hospitalization, prescribed medicines (small fee per prescription during first 10 days of illness), dental care, attendance of midwife or doctor at confinement, specified appliances, and travel expenses (some funds provide additional benefits). Duration: No limit, except 78 weeks for hospitalization in a 3-year period.	Medical benefits for dependents: Same as for insured, except that some funds require larger cost-sharing for medicines. Wife of insured man also receives same maternity grant as insured woman, and small nursing allowance.	Federal Ministry of Labor and Social Affairs, general supervision. State Insurance Office in each State, enforcement of law and regulations in State. Sickness funds, administration of contributions and benefits for members. Include about 2,000 local, establishment, occupational, agricultural, and miner's funds; managed by elected representatives of insured persons and employers, and federated into state and national federations.

ITALY

Sickness benefit: None provided. Maternity benefit: 75% of earnings; maximum 63 pounds a week. Payable for up to 12 weeks, including 6 weeks before confinement (or for up to 6 weeks only, if qualifying period only partially met). Maternity grant: 77 pounds toward cost of hospitalization, and 40 pounds for [illegible].	Medical benefits: None. (Most workers insured for medical care with a voluntary sickness fund.)	Medical benefits for dependents: None; wife of insured man receives same maternity grant as insured woman. (Most dependents insured for medical care with voluntary sickness fund.)	Ministry of Labor, general supervision. National Insurance Institute, administration of program.

SICKNESS AND MATERNITY INSURANCE

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Sickness benefit: 55-70% of earnings, according to fund (statutory minimum, [illegible]). Payable after 2-day waiting period, for up to 26 weeks (may be extended to 39 weeks). Maternity benefit: 70% of earnings, payable for 6 weeks before and 6 weeks after confinement. Nursing allowance: 5 francs a day or 15% of earnings, according to fund, payable for up to 12 weeks.	Medical benefits: Service benefits, ordinarily provided by doctors and hospitals under contract with and paid directly by sickness funds (salaried employee funds operate mainly on 80% refund basis). General and specialist care, hospitalization, laboratory services, maternity care, transport, dental care and prosthesis, 75-85% of cost of medicines (some variation among funds). Duration: Unlimited, except 26 weeks for hospitalization.	Medical benefits for dependents: 80-100% of cost of medical and dental care; 75-100% of cost of hospitalization and medicines; maternity services of midwife, or doctor if necessary; and nursing allowance of 5 francs a day (some variation among funds).	Ministry of Labor and Social Security, supervision of program through its Inspectorate of Social Institutions. Three regional and 7 establishment sickness funds, administration of contributions and benefits for wage earners; 7 other funds administer program for salaried employees. Funds managed by elected committees, composed of representatives of insured persons and employers.

NETHERLANDS

Sickness benefit: 80% of earnings. Payable after 3-day waiting period for up to 52 weeks. Maternity benefit: 100% of earnings, payable for 6 weeks before and 6 weeks after confinement. Maternity grant: Lump sum of 55 guilders.	Medical benefits: Service benefits provided by doctors, hospitals, and druggists under contract with and paid directly by sickness funds. General and specialist care, hospitalization, laboratory services, medicines, limited dental care, obstetric care, appliances, and transportation. Patient shares cost of sanatorium care, artificial limbs, and transportation. Maximum duration: No limit, except 70 days for hospitalization.	Medical benefits for dependents: Same as for insured person. Maternity grant: Lump sum of 55 guilders payable to wife of insured man.	Ministry of Social Affairs and Public Health, general supervision. Industrial association for each industry, administration of cash benefits within industry; approved joint employer-employee bodies with compulsory nationwide membership and bipartite governing boards. District and local offices of associations receive and pay claims. Approved sickness funds, administration of medical benefits; supervision by tripartite Sickness Funds Council. About 115 funds now operating.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
SWEDEN			
Sickness benefit: 5 crowns a day (all covered persons), plus supplement of 1-23 crowns a day according to 13 income classes (for persons earning at least 2,600 crowns a year). Child's supplements: 1 crown a day for 1-2 children under 16, 2 crowns for 3-4, and 3 crowns for 5 or more. Payable after 3-day waiting period, for duration of illness. Maternity benefit: 1-23 crowns a day, according to 13 income-classes, payable for up to 180 days. Maternity grant: Lump sum of 900 crowns.	Medical benefits: Cash refunds of part of medical expenses, and some service benefits. Refund of 75% of doctors' and outpatient fees, according to schedule, and of travel costs; free hospitalization in ward of public hospital; free medicines for some chronic diseases, and other medicines at half price; cost of confinement, including care in maternity ward; limited dental care, including free care for school children; and specified appliances. Duration: No limit, except 180 days for hospitalization if age 67.	Medical benefits for dependents: Same as for family head. Maternity grant: Lump sum of 900 crowns.	Ministry of Social Affairs, general supervision. National Social Insurance Board, administration of program through regional and local social insurance bodies. Contributions of insured persons paid with income tax.
UNITED KINGDOM			
Sickness benefit: £3 7s.6d. a week, plus £2 1s.6d. for 1 adult dependent, £1 for 1st child, and 12s. for each other child. Payable after 3-day waiting period (no waiting period if 12 days lost within 13 weeks), for up to 52 weeks; duration unlimited after 156 weeks of contribution. Maternity benefits: £3 7s.6d. a week, plus £2 1s.6d. for 1 adult dependent, £1 for 1st child, and 12s. for each other child; payable for 11 weeks before and 7 weeks after confinement. Also, lump-sum maternity grant of £16, plus an additional £6 if confinement in home or at own expense.	Medical benefits: Medical services provided by doctors and druggists under contract with and paid directly by national health service, and by public hospitals. General practitioner care, specialist services, hospitalization, maternity care, dental care, medicines, appliances, and home nursing. Patients pay 1s. for each prescription item, £1 for each dental treatment (except children and expectant or new mothers), 10s. for each spectacle lens, and about 50% of cost of dentures. Duration: No limit.	Medical benefits for dependents: Same as for family head. Wife also receives same lump-sum maternity grants as working woman.	Ministry of Pensions and National Insurance, administration of contributions and cash benefits through its regional and local offices. Ministry of Health, general administration of medical services through national health service. Medical services administered locally by Executive Council for each local health authority area (general medical, dental, and pharmaceutical services); about 15 Regional Hospital Boards; and local health authorities (home nursing, midwifery, etc.)

WORK-INJURY INSURANCE

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
WORK INJURY First law: 1903. Current law: 1931. Voluntary insurance with private carrier	Employed persons.	Insured person: None. Employer: Whole cost, through direct provision of benefits or insurance premiums (non-insured employers with fewer than 500 workers must contribute to special guarantee fund). Government: None. Maximum earnings for benefit purposes: 10,000 francs a month.	Work-injury benefits: No minimum qualifying period.

FRANCE

WORK INJURY First law: 1898. Current law: 1946. Social insurance system	Nonagricultural employees (general system covering about 70% of employees). Special systems for agricultural employees, railroad employees, and public utility employees.	Insured person: None. Employer: Whole cost, through contributions varying with risk; average rate, about 3% of payroll. Government: None. Maximum earnings for contribution and benefit purposes: 970 francs a month.	Work-injury benefits: No minimum qualifying period.

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
GERMANY (F.R.)			
WORK INJURY First law: 1884. Current law: 1963. Compulsory insurance with semi-private carrier	Employed persons, most categories of self-employed persons, and students.	Insured person: None. Employer: Contributions varying according to risk; average, about 1.5% of payroll. Government: None.	Work-injury benefits: No minimum qualifying period.
ITALY			
WORK INJURY First law: 1898. Current law: 1935. Social insurance system	Employed persons. Special systems for seamen and self-employed farmers.	Insured person: None. Employer: 2 to 7.6% of payroll, according to industry (average contribution about 3.7% of payroll). Government: None.	Work-injury benefits: No minimum qualifying period.

WORK-INJURY INSURANCE

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
WORK INJURY First law: 1902. Current laws: 1925 and 1954. Social insurance system	Employees, and self-employed farmers and family workers in agriculture. Voluntary insurance for self-employed not covered compulsorily.	Insured person: None. Employer: From about 0.5% to 11% of payroll, according to risk. Government: 50% of cost of administration, and part of cost-of-living increases in pensions. Maximum salary for contribution and benefit purposes (salaried employees only): 15,720 francs a month.	Work-injury benefits: No minimum qualifying period.

NETHERLANDS

WORK INJURY First law: 1901. Current laws: 1921 (industry) and 1922 (agriculture). Compulsory insurance with public or private carrier	Employed persons. Separate systems for agricultural employees and seamen.	Insured person: None. Employer: Whole cost, through insurance premiums varying with risk; average rate, about 2% of payroll. Government: None. Maximum earnings for contribution and benefit purposes: 10,900 guilders a year.	Work-injury benefits: No minimum qualifying period.

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
SWEDEN			
WORK INJURY First law: 1901. Current law: 1954 (benefits during 1st 90 days provided under 1962 social insurance law). Compulsory insurance with public or private carrier	Employees in private and public employment. Exclusions: Family labor, and public employees with equivalent protection.	Insured person: None (though contributes to sickness insurance which provides benefits for 1st 90 days). Employer: Whole cost, through insurance premiums varying with risk (plus contributions to sickness insurance). Government: None (though provides subsidies to sickness insurance).	Work-injury benefits: No minimum qualifying period.
UNITED KINGDOM			
WORK INJURY First law: 1897. Current law: 1946. Social insurance system	All employees. Special system of supplementary benefits for miners.	Insured person: 8d. a week (men) or 5d. (women). Employer: 9d. a week (men) or 6d. (women) Government: Contribution equal to 1/5 of total contributions paid by employees and employers.	Work-injury benefits: No minimum qualifying period.

WORK-INJURY INSURANCE

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organisation
Temporary disability benefit (work injury): 80% of earnings for first 28 days of incapacity; thereafter, 90%. Payable from 1st day of disability, until recovery or certification of permanent disability.	Permanent disability pension (work injury): 100% of earnings, if totally disabled. Constant-attendance supplement: Up to 50% of earnings. Percent of full pension corresponding to degree of incapacity, if partially disabled (converted to lump sum in specified circumstances). Medical benefits (work injury): Medical treatment, surgery, dental treatment, hospitalization, medicines, and appliances.	Widow's pension (work injury): 30% of earnings of deceased. Also payable to dependent widower. Orphans' pensions (work injury): 15% of earnings per orphan, or 20% if full orphan; payable for not more than 3 orphans. Other survivors (in absence of above): Parent, 20% of earnings; grandchild, brother, or sister, 15%. Funeral grant: Lump sum of 30 days' earnings.	Ministry of Social Welfare, general supervision. Employment Accident Commission, under Ministry, and local accident boards and inspectors, administration of program; tripartite representation. Employers may insure liability with employer mutual associations or private insurance companies. Courts approve awards.

FRANCE

Temporary disability benefit (work injury): 50% of earnings during first 28 days; 66 2/3% thereafter. Payable from 1st day following incapacity for work.	Permanent disability pension (work injury): 100% of average earnings during last 12 months, if 100% disability. Constant-attendance supplement: 40% of pension. Partial disability: Pension equal to percent of average earnings obtained by reducing by half that part of the percentage of disability that does not exceed 50% and by increasing by half that part that does exceed 50%. Medical benefits (work injury): All necessary care, including medical treatment and surgery, hospitalization, medicines, appliances, and transport. Services paid for directly by fund, with no cost-sharing by patient.	Widow's pension (work injury): 30% of earnings of insured, or 50% if age 60 or invalid. Also payable to widower. Orphans' pensions (work injury): 15% of earnings for each of first 2 children under 16, and 10% for 3rd and each additional child. If full orphans, 20% of earnings each. Other dependent relatives: 10% of earnings each, up to maximum of 30%. Maximum survivor pensions: 85% of earnings of insured. Funeral grant: Cost of burial.	Ministry of Labor, general supervision. Directorate of Social Security, in Ministry, direct supervision and issuance of regulations. National Social Security Fund, coordination of regional funds and financial equalization. Regional Social Security Funds, coordination of program in 16 regions, including fixing of contribution rates. Primary (local) Social Security Funds, payment of benefits and medical expenses. Contributions collected by joint collection agencies.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization

GERMANY (F.R.)

Temporary disability benefit (work injury): Same as for ordinary sickness, including supplementary payments by employer. Usually paid by sickness fund for first 18 days, if worker covered under sickness insurance; thereafter, borne by accident insurance fund.	Permanent disability pension (work injury): 66 2/3% of earnings, if totally disabled; minimum and maximum pension, 90 and 2,000 marks a month. Special supplement (if cannot work and no other pension): 10% of earnings. Constant-attendance supplement: 100-350 marks a month. Child's supplements: 10% of pension for each child under 18. Partial disability: Percent of full pension corresponding to loss of earning capacity, if latter 20% or more. Medical benefits (work injury): Comprehensive care. Usually provided by sickness fund during first 18 days, unless specialized care required.	Widow's pension (work injury): 40% of earnings of insured if age 45, invalid, or caring for child; otherwise, 30% of earnings. Also payable to dependent widower. Orphans' pensions (work injury): 20% of earnings for each orphan under 18 (25 if student, no limit if invalid), or 30% if full orphan. Parents or grandparents (if needy): 20% for 1, 30% for couple, 60% for 4. Maximum survivor pensions: 80% of earnings of insured. Funeral grant: Lump sum of 1 month's earnings; minimum, 400 marks.	Federal Ministry of Labor and Social Affairs, general supervision. Federal Insurance Office, in Ministry, direct supervision. Industrial and agricultural accident insurance funds, insurance carriers and administration of program; autonomous associations managed by elected employer and employee representatives. Employer must affiliate with association for his industry and region.

ITALY

Temporary disability benefit (work injury): 60% of earnings for first 90 days of disability; 75% thereafter. Payable after waiting period of 3 days.	Permanent disability pension (work injury): 100% of earnings, if totally disabled. Maximum pension, 450,000 lire a year. Constant-attendance supplement: Up to 180,000 lire a year. Dependents' supplements: 5% of pension for wife and each child under 18 or invalid. Partial disability: Percent of full pension proportionate to degree of incapacity, if over 10% disability. Medical benefits (work injury): Medical, surgical, and hospital care; appliances; and rehabilitation.	Widow's pension (work injury): 33 1/3% of earnings of insured. Also payable to aged or invalid widower. Orphans' pensions (work injury): 13 1/3% of earnings for each orphan under 18 or invalid, or 26.7% if full orphan. Parent (in absence of above): 13 1/3% of earnings for each parent. Maximum survivor pensions: 66 2/3% of earnings of insured. Survivor grant: Lump sum of up to 550,000 lire, according to category of dependents surviving.	Ministry of Labor and Social Welfare, general supervision. National Accident Insurance Institute, administration of program through provincial offices; managed by tripartite governing body. Institute operates own traumatological centers and hospitals. Separate funds administer special systems.

WORK-INJURY INSURANCE

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Temporary disability benefit (work injury): 75% of earnings. Payable from 1st day of incapacity, for up to 13 weeks.	Permanent disability pension (work injury): 80% of average earnings during last year, if totally disabled. Constant-attendance supplement: 20% of earnings. Child's supplement: 10% of pension for each child under age 18. Partial disability: Percent of full pension proportionate to wage loss; lump sum if pension less than 10% of temporary disability benefit. Automatic adjustment of pensions for 5% changes in cost-of-living index. Medical benefit (work injury): Necessary care, including medical treatment and surgery, hospitalisation, medicines, and appliances.	Widow's pension (work injury): 40% of earnings of insured, or 50% if over 50 or invalid. Dependent invalid widower, 40% of earnings. Orphans' pensions (work injury): 20% of earnings for each orphan under age 18. Other eligible survivors (in absence of above): Parents and grandparents. Maximum survivor pensions: 80% of earnings of insured. Automatic adjustment of pensions for 5% changes in cost-of-living index. Funeral grant: Lump sum of 1/15 of annual earnings.	Ministry of Labor and Social Security, general supervision. Accident Insurance Association, administration of program; contains separate branches for nonagricultural and agricultural insurance; united with Old-Age and Invalidity Insurance Institution in Social Insurance Office, the chairman of which is government official.

NETHERLANDS

Temporary disability benefit (work injury): 80% of earnings during first 6 weeks; thereafter, 70% of earnings. Payable from first day of incapacity for up to 1 year.	Permanent disability pension (work injury): 70% of earnings, if totally disabled. Constant-attendance supplement: 30% of earnings. Partial disability: Pension equal to 70% of wage loss; may be commuted to lump sum under specified conditions. Medical benefits (work injury): Medical treatment, surgery, dental treatment, hospitalisation, medicines, and appliances.	Widow's pension (work injury): 30% of earnings of insured. Also payable to invalid widower. Orphans' pensions (work injury): 15% of earnings for each orphan under age 16, or 20% if full orphan. Other eligible dependents (if above pensions below maximum): Parents, grandparents, parents-in-law, grand children, up to 30% of earnings. Maximum survivor pensions: 60% of earnings of insured. Funeral grant: lump sum of 30 days' earnings.	Ministry of Social Affairs and Public Health, general supervision. Social Insurance Bank, administration of program. Employers must insure with Bank, unless authorized by it to insure with special accident insurance association or private company.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization

SWEDEN

Temporary disability benefit (work injury): 5-28 crowns a day, according to income class. Child's supplements: 1 crown a day for 1-2 children, 2 crowns for 3-4, and 3 crowns for 5 or more. Payable after 3-day waiting period, until recovery or certification of permanent incapacity (paid by sickness insurance for first 90 days, and under work-injuries insurance thereafter).	Permanent disability pension (work injury): 11/12 of earnings, if totally disabled (compensable earnings include first 7,200 crowns a year, 75% of next 7,200-10,800, and 50% of other earnings below 15,000 crowns). Maximum pension, 11,000 crowns a year. Constant-attendance supplement: Up to 1,800 crowns a year. Wife's supplement: 1,440 crowns. Partial disability: Percent of full pension proportionate to degree of disability, if exceeds 10%. Medical benefit (work injury): Same as for ordinary sickness (provided by sickness insurance for first 90 days).	Widow's pension (work injury): 33 1/3% of compensable earnings of insured. or 25% after age 67. Dependent widower may receive same pension, as a maximum. Orphans' pensions (work injury): 16 2/3% of earnings for each orphan under 16 (21, if invalid). Parents: 16 2/3% of earnings, if dependent and if other pensions below maximum. Maximum survivor pensions: 83 1/3% of compensable earnings. Funeral grant: 600 crowns.	Ministry of Social Affairs, general supervision. National Social Insurance Board, administration of program through regional and local bodies. Employers must insure liability either with Board or with private insurance company.

UNITED KINGDOM

Temporary disability benefit (work injury): £5 15s. a week. Dependents' supplements: £2 1s.6d. for 1 adult dependent; £1 for 1st child; and 12s. for each other child. Reduced rates for married women and youths. Payable after 3-day waiting period (no waiting period if 12 days of incapacity), for up to 26 weeks.	Permanent disability pension (work injury): £5 15s. a week for 100% disablement. Unemployability supplement of £3 7s.6d. a week, and dependents' supplements, payable if total incapacity permanent. Constant-attendance supplement: Up to £2 10s. (in exceptional cases, £5). Partial disablement: From 23s. a week for 20% to £5 3s.6d. for 90% disablement (lump sum of up to £380 for 1-19%). Special hardship supplement of up to £2 6s. if change in occupation necessary. Medical benefits (work injury): Provided under national health service.	Widow's pension (work injury): £4 15s. a week for 13 weeks. Thereafter, £3 15s. if caring for child, invalid, age 50 at husband's death, or age 40 when children reach age limit. Widower's pension (work injury): £3 15s. a week, if invalid and dependent. Orphans' pensions (work injury): £1 10s. a week for 1st child, £1 2s. for each other child (£1 and 12s., if not in widow's care). Other eligible survivors: Parents (first priority) and other relatives previously dependent on insured.	Ministry of Pensions and National Insurance, administration of cash benefits through its regional and local offices. Ministry of Health, administration of medical benefits through national health service.

UNEMPLOYMENT INSURANCE

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
UNEMPLOYMENT First law: 1920 (subsidized voluntary insurance). Current law: 1945. Compulsory insurance system	Employed persons. Exclusions: Railroad employees, domestic servants, public employees, and family labor. Special systems for miners, seamen, port workers, and building workers.	Insured person: 1% of earnings. Employer: 1% of payroll. Government: Regular subsidy of 2% of earnings, plus amount of any deficit. Maximum earnings for contribution purposes: 11,550 francs a month; varies with retail price index.	Unemployment benefits: From 75 days of insured employment in last 10 months to 600 days in last 36 months, rising by age of claimant. Ability to earn 1/3 of earnings of similar worker, willingness to accept suitable work, and registration at exchange. Unemployment not due to voluntary leaving, discharge for misconduct, strike, or unjustified refusal of suitable offer (disqualification for 4-52 weeks according to gravity of fault and frequency of occurence).

FRANCE

UNEMPLOYMENT First law: 1905. Current law: 1951. Unemployment assistance (Large nonstatutory program for industry and commerce, established by 1958 collective agreement, provides insurance benefits of 35% of wages for 9-12 months; financed by 0.2% employer and 0.05% employee contribution.)	Regularly employed persons. Exclusion: Employed wives of regular employees. Special systems for building and dock workers.	Insured person: None. Employer: None. Government: Whole cost; about 10% of cost borne by local governments.	Unemployment allowance: 150 days of paid employment in last year, and 3-12 months' residence in locality. Other income of household plus allowance less than 660-740 francs a month. Capable of and free to accept work, and registration at employment exchange. Unemployment not due to voluntary leaving, dismissal through own fault, labor dispute in plant, notorious misconduct, or refusal of suitable offer of work or recommended training (disqualification at least 6 weeks).

GERMANY (F.R.)

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
UNEMPLOYMENT First law: 1927. Current law: 1957. Compulsory insurance system	Employees in private employment. Exclusions: Salaried employees earning over 15,000 marks a year; agricultural employees with yearly contracts; part-time employees; and family labor. Special systems for building workers and dock workers.	Insured person: 0.65% of earnings. Employer: 0.65% of payroll. Government: None (pays whole cost of unemployment assistance). Maximum earnings for contribution and benefit purposes: 750 marks a month.	Unemployment benefits: 26 weeks of insured employment in last 2 years. Capable of work, available for work, and registration at employment office. Unemployment not due to voluntary leaving, discharge for misconduct, strike or lockout, refusal of job offer, or refusal of training (disqualification 2-8 weeks).

ITALY

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
UNEMPLOYMENT First law: 1919. Current law: 1939. Compulsory insurance system	Employees in private employment. Exclusions: Domestic servants, and occasional and seasonal workers.	Insured person: None. Employer: 2.3% of payroll. Industrial employers also pay 0.2% of payroll to special "wage supplement fund." Government: None.	Unemployment benefit: 2 years of insurance, and 52 weeks of contribution in last 2 years. Capable of work, employable, available for work, and registered at employment office. Unemployment not due to voluntary leaving, dismissal for misconduct, refusal of suitable offer or refusal of prescribed training (disqualification for 30 days).

UNEMPLOYMENT INSURANCE

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
UNEMPLOYMENT First law: 1921. Current law: 1945. Unemployment assistance	Citizens normally employed in industry or commerce, and recent graduates of schools.	Insured person: None. Employer: None. Government: Whole cost; 3/4 borne by national government, 1/8 by locality of residence, and 1/8 by locality where unemployment occurs.	Unemployment allowances: 200 days of work in last year (up to 100 days may be credited for illness). Other income less than prescribed amount (see column 5 for income test). Luxembourg citizenship, unless specifically exempted. Capable of and seeking work, and registration at employment office. Unemployment not due to voluntary leaving, strike provoked to receive allowance, or refusal of suitable offer.

NETHERLANDS

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
UNEMPLOYMENT First law: 1916. Current law: 1949. Dual industry and general compulsory insurance systems	Employees earning not more than 10,900 guilders a year. Exclusions: Domestic servants, temporary employees, and public employees. Most employees covered under both an industry "waiting benefit" system and general unemployment benefit system; rest covered only under latter.	Insured person: From about 1 to 5% of earnings, according to industry (includes 0.3% for general program, and remainder for industry waiting-benefit program). Employer: From about 1% to 5% of payroll, according to industry (includes 0.3% for general program, and remainder for industry waiting-benefit program). Government: 0.6% of total covered earnings (for general program only). Also, cost of social assistance.	Unemployment benefits: For industry waiting benefits, 156 days of employment in industry concerned during last 12 months. For general unemployment benefits, 78 days of employment in any industry during last 12 months. Capable of work; available for and prepared to accept work; making sufficient effort to find work; and registration at public labor exchange. Unemployment not due to voluntary leaving, dismissal for misconduct, strike or lockout, refusal of suitable offer, or refusal to undergo prescribed training.

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions

SWEDEN

UNEMPLOYMENT First law: 1934. Current law: 1956. Subsidized voluntary insurance system	Employees belonging to approved unemployment funds established voluntarily by trade unions. Membership in fund usually compulsory for union members, but must also be open to voluntary affiliation of any employee in industry concerned; over half of all employees now belong to funds. Ineligible for membership: Employees under 15 or over maximum age fixed by fund; persons unfit for employment; family labor; and employees in industries where no fund exists.	Insured person: Varies with fund; flat contribution in some cases, and wage-class contributions in others (covers about 1/3 of cost). Employer: None. Government: Subsidies to unemployment funds as follows--Up to 5 crowns per day of unemployment for which benefit paid, grant varying with each fund's incidence of unemployment, and subsidy toward each dependent's supplement paid (covers about 2/3 of cost).	Unemployment benefit: Membership in and contributions to unemployment fund for 52 weeks of employment, including 20 weeks in last 12 months. Capable of work, not prevented from undertaking work, and registration at public employment office. Unemployment not due to voluntary leaving, misconduct, involvement in labor dispute, or refusal of suitable offer (disqualification usually 4 weeks).

UNITED KINGDOM

UNEMPLOYMENT First law: 1911. Current laws: 1946 (national insurance) and 1948 (national assistance). Compulsory insurance system	All employees (coverage optional for married women).	Insured person: See flat pension contributions above. Employer: Same. Government: See pension contributions and subsidy above; also, full cost of national assistance.	Unemployment benefit: 26 weeks of paid contributions as employee, and 50 weeks paid or credited in last year (reduced benefit if 26-49 weeks). Capable of and available for work, and registration at employment exchange. Unemployment not due to voluntary leaving, industrial misconduct, direct participation in trade dispute, refusal of suitable job offer, or failure to follow up job or training opportunity (disqualification up to 6 weeks).

UNEMPLOYMENT INSURANCE

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Unemployment benefit: Flat daily amounts equal to 50-60% of average wages of unskilled workers. Amounts vary according to marital status, sex, age, and size of locality. Maximum benefit: 124 francs a day, or 66 2/3% of earnings (75% if 4 or more children). Payable after 1-day waiting period, with no limit on duration except in special cases.			Ministry of Employment and Labor, general supervision. National Social Security Office, collection of contributions. National Employment Office, receiving and decision of claims, supervision of paying agencies, and operation of employment service, through about 30 regional offices; managed by tripartite committee. Local agencies paying benefits: Public paying offices, or trade unions for own members.

FRANCE

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Unemployment allowance (after income test): Up to 4.20 frs. a day in larger cities, 4.10 frs. in other cities, and 3.85 frs. in rural areas. Dependents' supplements: 1.80, 1.75, or 1.65 frs. a day for nonemployed spouse or dependent parent. Maximum allowance: 66 2/3% of average earnings of household.			Ministry of Labor, national administration of program. Department employment offices, supervision of local exchanges and decision of claims. Local employment exchanges, receiving and investigation of claims. Municipalities, payment of allowances; also, receipt of claims if no exchange in locality.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
GERMANY (F.R.)			
Unemployment benefit: 40%-90% of earnings, varying inversely according to wage class. Dependents' supplements: 9 marks a week each for wife and 1st child, 3 marks for 2nd child. Payable after 3-day waiting period (unless recipient has dependents), for up to 13-52 weeks according to weeks of insured employment; 156 weeks of employment in last 3 years required for 52-week maximum. (Unemployment assistance payable after exhaustion of benefits, subject to income test.)			Federal Ministry of Labor and Social Affairs, general supervision. Federal Placement and Unemployment Insurance Institute, administration of benefits and employment service through regional and local employment offices; Institute and offices managed by tripartite board and committees. Sickness funds, collection of contributions.
ITALY			
Unemployment benefit: 300 lire a day. Dependents' supplements: 120 lire a day for dependent spouse, each child, and dependent parent. Maximum duration: 180 days in a year. Certain categories of workers in specified localities may receive assistance grants if ineligible for ordinary benefits. Industrial wage earners also receive "wage supplements" equal to 66 2/3% of lost wages, if employed less than 40 hours a week (paid from wage-supplement fund); payable indefinitely if working [illegible] hours a week or more, or otherwise for 3 months.			Ministry of Labor and Social Welfare, general supervision. National Social Insurance Institute, administration of program through its branch offices. Also administers wage-supplement fund. Placement offices receive, investigate, and pay claims in localities where no office of Institute is located.

UNEMPLOYMENT INSURANCE

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
Unemployment allowance (after income test): Up to [illegible] of [illegible]-ceiling earnings; maximum benefit, 192 francs a day. [illegible] income in excess of 25% of allow[illegible] deducted from allowance. Payable after 2-day waiting period, for up to 26 weeks in 1 year (shorter duration for certain aliens).			National Labor Office, administration of program and payment of allowances. Local employment offices and clerks of local governments, receiving of claims.

NETHERLANDS

Unemployment benefits: Minimum rate for waiting benefits and rate of general benefits: 70% of going earnings in insured's occupation (60% if youth or not living alone). Supplement for dependent: 10% of earnings. Waiting period: Varies among industries, as fixed by industrial association. Maximum duration: Employees under industry systems receive waiting benefits for 48 days, and then general benefits for 78 days. Others receive general benefits for 126 days. (Social assistance for needy unemployed exhausting benefit rights.)			Ministry of Social Affairs and Public Health, general supervision. General Unemployment Fund, administration of general unemployment benefits and supervision of waiting benefits; directed by tripartite board. Industrial association for each industry, administration of waiting benefits within industry. District and local offices of associations receive and pay claims.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
SWEDEN			
Unemployment benefit: Up to 20 crowns a day, according to fund and wage class of employee. Dependents' supplements: 2 crowns a day for spouse and each child under 16. Payable after 6-day waiting period, for up to 156 days. (Unemployment relief or assistance may be provided to needy persons exhausting benefit rights.)			National Labor Market Board, supervision of application of law. Trade-union unemployment funds, administration of program in individual industries and trades throughout country, after approval by Board; funds managed by governing bodies composed of union officials and a government representative (about 50 funds in operation). Local branches of funds, collection of contributions along with union dues; and administration of benefits in close collaboration with local employment offices.
UNITED KINGDOM			
Unemployment benefit: £3 7s.6d. a week. Dependents' supplements: £2 1s.6d. for adult dependent; £1 for 1st child; [illegible] 12s. for each other child. Reduced rates for married women and youths. Payable after 3-day waiting period (unless 12 days lost within 13 weeks), for up to 180 days for one spell. After 5 years of insurance, extended [illegible] days for each 5 weeks of contribution in last 10 years, minus 1/10 of benefit days in last 4 years; overall maximum duration, 492 days. ([illegible]ional assistance payable to unemployed whose resources below needs.)			Ministry of Pensions and National Insurance, administration of contributions and records. Ministry of Labor, administration of benefits through its regional offices and employment exchanges; includes receipt, decision, and payment of claims. National Assistance Board, administration of assistance through its regional and area offices.

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FAMILY ALLOWANCES

[Analysis of the Social Security Systems by type of risk]

BELGIUM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
FAMILY ALLOWANCES First laws: 1930 (employees) and 1937 (self-employed). Current law: 1947. Employment-related system	All gainfully occupied persons and social insurance beneficiaries, with 1 or more children. Coverage effected under two separate systems for employees and self-employed persons. Special systems for miners, seamen, and public employees.	Insured person: Employee, none. Self-employed, contributions varying with income and occupation. Employer: 10.25% of payroll. Government: Subsidies to both employee and self-employed programs covering any deficits. Maximum earnings for contribution purposes: 11,550 francs a month; varies with retail price index.	Family allowances: Child must be under age 14 (21 if student, no limit if invalid). Parent must have 100 days of employment a year, or be a social insurance beneficiary. Eligible children may include dependent grandchildren, brothers, sisters, nephews, and nieces.

FRANCE

FAMILY ALLOWANCES First law: 1932. Current law: 1946. Employment-related system	Family allowances: Gainfully occupied persons, social insurance beneficiaries, and persons for whom gainful work not possible (special systems paying same allowances for agriculture, railroad employees, and public utility employees.) Single-wage allowances: All eligible families with 1 or more children. Prenatal allowances and birth grants: All mothers.	Insured person: None, except self-employed who pay about 4% of income according to occupational schedule. Employer: 13.5% of payroll. Government: None. Maximum earnings for contribution purposes: 970 francs a month.	Family allowances: Family must contain 2 or more children under 15 (20 if student, invalid, or girl working at home). Single-wage allowances: Family must contain only 1 earner; child in 1-child family must normally be under 5. Prenatal allowances: 3 examinations. Birth grant: French nationality; births after 1st within 3 years of previous birth.

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions

GERMANY (F.R.)

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
FAMILY ALLOWANCES First and current law: 1954 (allowances for 2nd child provided by 1961 law). Employment-related system	Employed and self-employed persons, and social insurance beneficiaries, with 2 or more children.	Insured person: None, except about 1% of income by self-employed persons. Employer: 1% of payroll. Government: Whole cost of allowances for 2nd child.	Family allowances: Child must be under 18 (25 if student or invalid). Payable for 2nd child only if family earnings not over 600 marks a month.

ITALY

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
FAMILY ALLOWANCES First law: 1936. Current law: 1961. Employment-related system	Employees and social insurance beneficiaries, with 1 or more children or other dependent. Special systems for agriculture, insurance and credit, tax collectors, and journalists.	Insured person: None. Employer: 17.5% of payroll (110 lire a day for agricultural employees). Government: Subsidy toward allowances for agricultural employees.	Family allowance: Child must be under 18 (26 if student, no limit if invalid). Other eligible dependents: Wife, invalid husband, and aged or invalid parent or grandparent, if their other income is below 10,000 lire a month.

FAMILY ALLOWANCES

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
[illegible] ALLOWANCES First laws: 1947 (employees) and 1954 (nonemployees). Current law: 1959. [illegible] employment-related and general [illegible]	Employee system: Employees and social insurance beneficiaries, with 1 or more children. General system: Permanent residents other than employees, with 1 or more children.	Insured person: Employees, none. Nonemployees, special income tax. Employer: 1.7 to 5.32% of wages, according to industry, and 2.2-3.3% of salaries (employee system only). Government: 169 francs a month for 3rd child, and cost of allowances for 4th and other children (employee system); excess cost over income taxes collected (general system). Maximum earnings for contribution purposes: 15,720 francs a month (salaried employees only).	Family allowances: Child must be under 19 (23 if student, no limit if invalid without means). Alien employee must have 1 year of residence, for receipt of allowance under employee system. Child must be citizen or his custodial parent a permanent resident, for receipt of allowance under general system.

NETHERLANDS

[illegible] allowances: 16 dirhams a month for [illegible] and each other child up to 7th.			Ministry of Labor and Social Affairs, general supervision. National Social Security Fund, administration of program. Employers required to pay allowances directly to own employees.

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions

SWEDEN

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
FAMILY ALLOWANCES First and current law: 1947. Universal public system	All residents, with 1 or more children.	Insured person: None. Employer: None. Government: Whole cost.	Family allowances: Child must be under age 16 (19 if student).

UNITED KINGDOM

Dates of Basic Laws and Types of Programs	Coverage	Source of Funds	Qualifying Conditions
FAMILY ALLOWANCES First and current law: 1945. Universal public system	Residents, with 2 or more children.	Insured person: None. Employer: None. Government: Whole cost.	Family allowances: Child must be under age 15 (16 if invalid, 19 if student). 26 weeks of residence in last 12 months (aliens must have, in addition, 156 weeks of residence in last 4 years).

FAMILY ALLOWANCES

[Analysis of the Social Security Systems by type of risk]

BELGIUM

BELGIUM

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
[illegible] allowance: 457 francs a month [illegible] 1st child, rising to 1,[illegible] francs [illegible] and others, plus 107 frs. if [illegible] 6-10, [illegible] frs. if 10-14, and 251 frs. if over 14. [illegible] grant: 7,250 [illegible] for 1st birth, [illegible] frs. for 2nd, [illegible] 2,690 frs. for each other birth. Allowances adjusted automatically for [illegible] changes in retail price index.			Ministry of Social Welfare, general supervision. National Social Security Office, collection of contributions. National Family Allowance Office, distribution of contributions among individual funds. Family allowance funds paying allowances: About 70 approved occupational and regional funds, auxiliary public fund for persons not otherwise covered, and several special funds.

FRANCE

Family allowance: 22% for 2nd child, and 33% for 3rd and each other child, of current "base wage" (latter now [illegible]76.50 francs a month in Paris, up to 8% less elsewhere). If a child over age 10, allowance [illegible] of wage higher; if over 15, [illegible] higher. Single wage allowance (in addition to above [illegible] of 194.50 francs for 1st [illegible], 10% for 3rd. Pre[illegible] allowance: 22% of above base wage [illegible] 9 months. Birth [illegible]: 200% of above base wage [illegible] birth.			Ministry of Labor, general supervision. Directorate of Social Security, in Ministry, direct supervision and issuance of regulations. National Social Security Fund, coordination of funds and financial equalization. Family Allowance Funds, administration of program for individual districts and occupations; managed by bipartite boards.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization
GERMANY (F.R.)			
Family allowance: 25 marks a month for 2nd child, and 40 marks for 3rd and each additional eligible child in a family.			Federal Placement and Unemployment Insurance Institute, administration of allowances for 2nd child. Union of Federations of Family Equalization Funds, national administration and equalization of costs for other allowances. Family-Equalization Funds, administration of allowances and contributions; include about 50 funds for different industrial branches, and for districts in case of agricultural funds, set up within the accident insurance funds.
ITALY			
Family allowance: 4,940 lire a month for 1st and each other child. Adult dependents: 3,588 lire a month for spouse, and 1,430 lire for each dependent parent or grandparent.			Ministry of Labor and Social Welfare, general supervision. National Social Insurance Institute, administration of program through Central Family Allowances Fund. Individual employers pay allowances directly to own employees (except in agriculture), and settle only surplus or deficit of contributions due with local branch of Institute.

FAMILY ALLOWANCES

[Analysis of the Social Security Systems by type of risk]

LUXEMBOURG

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organisation
Family allowance: Employees, 500 francs a month for each of first 4 children; increases progressively by 54 francs for 5th and each other child. Nonemployees: 135 francs a month for each of first 2 children, and 500 francs for 3rd, 4th, and any invalid child; increases progressively by 54 francs for 5th and each other child. Birth grant: 5,0[illegible]0 francs for 1st, and 3,[illegible]75 francs for other births. Automatic adjustment of allowances for 5% changes in cost of living.			Employee system: Administered for wage earners by Old-Age and Invalidity Insurance Institution, and for salaried employees by Private Salaried Employees' Pension Fund. Nonemployee system: Administered by Children Allowances Fund, with tripartite managing committee; Fund also administers all birth grants.

NETHERLANDS

Family allowance: 19.50 guilders a month for 1st child, rising to 32.50 guilders a month for 6th and each additional child.			Ministry of Social Affairs and Public Health, general supervision. Industrial associations, administration of allowances within each industry; larger employers pay allowances to own employees and settle surplus or deficit of contributions due with association. Social Insurance Bank, administration of allowances for non-employees and pensioners, with assistance of regional Labor Councils.

Cash Benefits for Insured Workers (except permanent disability)	Permanent Disability and Medical Benefits for Insured Workers	Survivor Benefits and Medical Benefits for Dependents	Administrative Organization

SWEDEN

Family allowance: 500 crowns a year for each eligible child, or 600 crowns if student age 16-18.			National Social Welfare Board, national administration of program. Local social welfare offices and child-welfare boards, administration of allowances locally.

UNITED KINGDOM

Family allowance: 8s. a week for 2nd child, and 10s. for 3rd and each other child.			Ministry of Pensions and National Insurance, administration of program through its regional and local offices.