

Collection of Contributions

18. The employer should be made responsible for collecting contributions in respect of all persons employed by him, and should be entitled to deduct the sums due by them from their remuneration at the time when it is paid.

(1) Where membership of an occupational association or the possession of a license is compulsory for any class of self-employed persons, the association or the licensing authority may be made responsible for collecting contributions from the persons concerned.

(2) The national or local authority may be made responsible for collecting contributions from self-employed persons registered for the purpose of taxation.

(3) Pending the development of agencies to enforce payment of contributions, provision should be made for enabling self-employed persons to contribute voluntarily, either as individuals or as members of associations.

Administration of Benefits

19. In order to facilitate the efficient administration of benefits, arrangements should be made for the keeping of records of contributions, for ready means of verifying the presence of the contingencies which give rise to benefits, and for a parallel organization of medical and employment services with preventive and remedial functions.

Employed Persons

20. Persons employed for remuneration should be insured against the whole range of contingencies covered by social insurance as soon as the collection of contributions in respect of them can be organized and the necessary arrangements can be made for the administration of benefit.

(1) Persons whose employment is so irregular, or likely to be so short in its total duration, that they are unlikely to qualify for benefit confined to employed persons, may be excluded from insurance for such benefits. Special provision should be made on behalf of persons who ordinarily work for a very short period for the same employer.

(2) Apprentices who receive no remuneration should be insured against employment injuries, and, as from the date at which they would have completed their apprenticeship for their trade, compensation based on the wages current for workers in that trade should become payable.

Self-employed Persons

21. Self-employed persons should be insured against the contingencies of invalidity, old age and death under the same conditions as employed persons as soon as the collection of their contributions can be organized. Consideration should be given to the possibility of insuring them also against sickness and maternity necessitating hospitalization, sickness which has lasted for several months, and extraordinary expenses incurred in cases of sickness, maternity, invalidity, and death.

(1) Members of the employer's family living in his house, other than his dependent wife or dependent children, should be insured against the said contingencies on the basis of either their actual wages or, if these cannot be ascertained, the market value of their services; the employer should be responsible for the payment of contributions in respect of such persons.

(2) Self-employed persons whose earnings are ordinarily so low that they can be presumed to be a merely subsidiary or casual source of income, or that payment of the minimum contribution would be a hardship for them, should be excluded provisionally from insurance and referred for counsel to the employment service or to any special service that may exist for promoting the welfare of the occupational group to which they may belong.

(3) Persons who, after completing the contribution period prescribed as a qualification for invalidity and survivors' benefits, cease to be compulsorily insured, either as employed or as self-employed persons, should be given the option, to be exercised within a limited period, of continuing their insurance under the same conditions as self-employed persons, subject to such modifications as may be prescribed.

C. BENEFIT RATES AND CONTRIBUTION CONDITIONS

Benefit Rates

22. Benefits should replace lost earnings, with due regard to family responsibilities, up to as high a level as is practicable without impairing the will to resume work where resumption is a possibility, and without levying charges on the productive groups so heavy that output and employment are checked.

23. Benefits should be related to the previous earnings of the insured person on the basis of which he has contributed: Provided that any excess of earnings over those prevalent among skilled workers may be ignored for the purpose of determining the rate of benefits, or portions thereof, financed from sources other than the contributions of the insured person.

24. Benefits at flat rates may be appropriate for countries where adequate and economical facilities exist for the population to procure additional protection by voluntary insurance. Such benefits should be commensurate with the earnings of unskilled workers.

(1) Sickness and unemployment benefits should, in the case of unskilled workers, be not less than 40 per cent. of the previous net earnings of the insured person if he has no dependants, or 60 per cent. thereof if he has a dependent wife or housekeeper for his children; for each of not more than two dependent children, an additional 10 per cent. of such earnings, less the amount of any children's allowances for these children, should be payable.

(2) In the case of workers with high earnings, the foregoing proportions of benefit to previous earnings may be somewhat reduced.

(3) Maternity benefit should in all cases be sufficient for the full and healthy maintenance of the mother and her child; it should be not less than 100 per cent. of the current net wage for female unskilled workers or 75 per cent. of the previous net earnings of the beneficiary, whichever is the greater, but may be reduced by the amount of any child's allowance payable in respect of the child.