

SOCIAL INSURANCE FOR SPECIAL GROUPS IN FRANCE

ALMON F. ROCKWELL*

THE PROVISIONS of French social insurance legislation relating to workers in commerce and industry and in agriculture are familiar to most students of social security. It is not generally realized, however, that a large number of gainful workers derive their protection from "special" plans, each one self-contained and self-administered. In fact, this method of caring for certain groups of the working population is used more extensively in France than in any other large nation with the exception of Brazil, where social insurance is organized exclusively according to individual trades or industries. Specifically, France has separate plans for workers in Alsace-Lorraine, for miners, seamen, railway workers (including street-car and bus operators), employees of State industrial enterprises, postal workers who are not actually covered under the general plan for civil service retirement, and several other groups including employees of gas and electricity companies and the personnel of subsidized national theaters.

The *raison d'être* for these special provisions varies, of course, in each instance, but an important contributing factor is a well-known characteristic of the French people which may be referred to as occupational stability. There is little shifting from one job to another. The son, in most cases, will adopt his father's profession, but if he does embark on one of his own choosing he is more than likely to follow that trade or craft until his retirement or death. Seamen, for instance, are for the greater part natives of certain sections of the country and spend all their working lives at sea in marked contrast to the situation in the United States where seamen, apart from ships' officers and a few other ratings, do not in general follow the sea as a steady occupation. Ships' crews in this country often comprise many young men who, because of temporary unemployment or other reasons, sign on for one voyage or at most a limited number of trips.

As in a number of other European countries, miners are accorded special treatment because of the extra-hazardous nature of their occupation.

Workers in Alsace-Lorraine are treated as a separate group owing to the decision of the French Government to retain the structure of the German system when it regained possession of these provinces; to have brought such workers within the scope of existing French legislation would have raised involved administrative problems. Railroad workers were not subject to the provisions of the general insurance laws for workers in commerce and industry because, although five of the seven main railroad companies were privately owned, they were actually operating under State charter and as such were virtually State institutions. That status was confirmed by the decree of August 31, 1937, which effected the complete nationalization of all railroads by transferring all operating rights, together with all assets and obligations, to the Government.

According to the census of 1931, all these separate groups constituted a little over 7 percent of the working population, and seamen, miners, railroad workers, and workers in Alsace-Lorraine made up the great bulk of that percentage. A brief survey of the operating procedure of these plans reveals several interesting features, but two conclusions in particular stand out prominently. One is that a way has been found to administer social insurance provisions successfully within the framework of a specific industry.¹ The other is that the wage earners themselves not only demand the protection which is afforded them but are willing to contribute towards the operation of the systems at a much greater personal expense than in other countries, where workers are inclined to protest against what they consider unduly high tax rates.

Seamen

Social insurance for seamen, set up as a separate plan in the early part of the twentieth century, has undergone a number of changes designed mainly to bring about much needed simplification. At one time, there were four different methods of compensating sick or injured seamen.

¹ Even in the general law for workers in commerce and industry certain special provisions are made applicable to agricultural workers and domestic servants.

*Bureau of Research and Statistics, Old-Age Benefits Research Division.

The system was thoroughly reorganized by the decree of June 17, 1938, and additional modifications were effected by the decree of December 20, 1938.

The principal governing body, under the supervision of the Ministry of Merchant Marine, is the National Institute for Disabled Seamen. It supervises two administrative funds (*caisses*), the General Provident Fund and the Seamen's Pension Fund; the latter combines the earlier Registered Seamen's Pension Fund and the Catering Staff Pension Fund, which, as the name implies, is concerned with employees of the stewards' and pursers' departments.

General Provident Fund

This fund makes provision for benefits in the case of occupational accidents, disability, or sickness for workers of either sex, and in the case of maternity for female workers or wives of insured individuals. Shipowners' contributions amount to 5.75 percent of wages paid during service at sea or on board vessels that are not in commission and are laid up in port; their payments are reduced to 1 percent for all other services, such as temporary assignment to clerical duty ashore, work with a recognized labor union, and so on. The seaman's contribution in the first case amounts to 2 percent of his wages and to 1 percent in the second. When, however, the seaman is the owner of a vessel of more than 30 but less than 35 tons, engaged in deep-sea fishing, coastwise fishing, or coastal trade, his contribution rates are 5 percent and 1 percent, respectively. These rates are reduced to 3 percent and 1 percent when the vessel is of less than 30 tons.

The French Maritime Labor Code of December 13, 1926, provides for shipowners' liability in the case of seamen becoming sick or injured at sea, and conforms with the terms of the International Labour Office Draft Convention No. 55, which was signed by the United States and ratified by the Senate in August 1938, though France had approved but not formally ratified this convention by July 1939. In the case of accidents the fund, upon cessation of the shipowners' liability, assumes the costs of hospitalization, medical and pharmaceutical treatment, artificial limbs, etcetera, in accordance with the scale established for industrial accidents on land. Burial costs are likewise paid by the fund if death is the result of the

injury. While the seaman is temporarily incapacitated for work, the fund grants him a daily allowance equal to 50 percent of his basic wage, and adds 1 franc per day for one dependent child (under 16 years of age); for additional children the supplement is proportionately increased up to 1.80 francs for the seventh and following children.

If the seaman becomes totally disabled, his pension amounts to three-quarters of his basic annual wage, but not less than 5,000 francs per annum. If such a totally disabled individual requires the help of an attendant, he receives an additional nontransferable allowance of one-quarter of his salary, together with a special lump-sum grant of 3,000 francs. When the disability is less than 100 percent, but not below 50 percent, the pension amounts to one-half the assumed wage loss suffered because of the disability, up to the 50-percent degree of incapacity, and the full amount of the wage loss beyond the 50-percent degree. However, in the case of a disability of at least 66 percent, the pension is computed on the basis of one-half the salary, with a minimum of 3,500 francs per annum.

Provisions are likewise made for the widows of disability pensioners but only if the marriage preceded the onset of the disability: if no widow survives, the provisions apply to dependent orphans. If the death of the insured individual occurred as the result of the accident, the widow is entitled to 50 percent of the amount which would have been paid to the insured in the case of total disability. If death occurred while the insured person was in receipt of a disability pension, the widow or the orphan receives one-half the amount which was being paid to him. This amount can, however, be increased to 50 percent of the pension which would have been paid in the case of 100-percent disability if satisfactory proof can be offered that death was directly due to the accident for which the pension was being paid. Pensioners suffering from at least 20-percent disability, or widows of pensioners who have dependent children, receive an increment of 360 francs annually for one child, and up to 660 francs for the seventh and following children.

Upon the cessation of the shipowners' liability for sickness contracted at sea, the fund assumes responsibility for expenses under the same conditions as in the case of accidents. If, however, the sickness is contracted otherwise than at sea

a qualifying period is required; contributions must have been paid up for 50 days of the 90, or 200 days of the 12 months immediately preceding the official notice of sickness. In addition to treatment, cash allowances equal to 50 percent of the basic wage are paid from the fourth day following the official notification of the illness or accident and for a period not in excess of 6 months; if the insured individual is being treated in a hospital, these allowances are reduced from one-fifth to three-fifths, according to the marital and family status of the pensioner. The insured is also required to pay 20 percent of hospital, pharmaceutical, and other related expenses, as well as 20 percent of the cost of transportation to the hospital. Sickness insurance also extends to wives and children if the previously noted qualifying conditions have been met.

Maternity benefits paid to women employees are made up of (1) a cash grant to cover expenses of confinement and delivery; (2) grants during the nursing period not to exceed 850 francs and not to be less than 175 francs per month for the first 4 months; (3) a "rest" payment equal to 50 percent of the employee's taxable wages for the 6 weeks preceding and the 6 weeks following delivery, provided that the insured woman ceases all gainful work. Wives of insured individuals receive only the cash grant to cover expenses of confinement and delivery. Maternity benefits may not be paid unless the insured woman or the husband of the beneficiary has paid contributions for at least 200 days out of the 12 months immediately preceding the delivery.

Seamen's Pension Fund

This organization, together with its affiliated Catering Staff Pension Fund, handles risks of invalidity and old age as well as survivor's pensions. Unlike the General Provident Fund, in which French citizenship is a prime requisite for membership, this fund makes provisions for foreign seamen and requires no contribution payment from them. Here also, in contrast to the other fund, the seamen's contribution is greater than that of the shipowners, the respective amounts being 5 and 3.5 percent, except that the owner is required to pay the entire 8.5 percent in the case of foreign seamen. To qualify for an old-age pension, the seamen must be at least 50 years of age and have had 25 years' service. Invalidity

pensions can be obtained after completion of 300 months' service.

For purposes of pension payments, seamen are divided into six groups according to their rating on board ship, and a definite minimum for the annual pension is set in each case, ranging from 5,000 francs for common seamen to 10,000 francs for masters of ocean-going vessels and similar ratings. Minimum widows' and orphans' pensions for these same categories vary from 2,500 to 5,000 francs a year. The minimum pensions are increased when the average annual wage of the insured person exceeds an arbitrary figure which is set for each group and which varies from 6,000 francs in group 6 to 14,000 in group 1. Specifically, this annual increment amounts to: (1) one-half of the portion of the average wage between the minimum and 18,000 francs; (2) two-fifths of the portion of the average wage between 18,000 and 30,000 francs; (3) one-third of the portion of the average wage in excess of 30,000 francs. The minimum pensions of widows and orphans are likewise increased by one-half of this increment.

Miners

The separate plan of compulsory insurance for miners was set up in 1914, and a number of laws and decrees, passed between 1914 and 1936, were codified by a decree of March 2, 1937, which can be considered the basis for existing provisions. Since that time and up to as recent a date as May 20, 1939, several changes had been made in the contribution rates and the scale of benefits. The last two modifying decrees provided for increased benefits, and it is interesting to note that the Government is keenly appreciative of the importance of mine workers as a group in the national economic system and of the necessity of satisfying their demands insofar as possible. In submitting the decree of May 20, 1939, to the President, the Prime Minister stated that the increased pensions and allowances which the legislation established would "contribute to social appeasement in a branch of production of which the activity constitutes an essential element of our national economy and our national defense."

Old Age and Invalidity

All workers and employees in mines and quarries are compulsorily insured, but foreign workers are

entitled to benefits only when a reciprocal treaty exists with the country of their origin. Such treaties are now in force with Belgium, Germany, Italy, Poland, and Spain. Contributions, which are payable on wages or salaries up to 20,000 francs per year, amount to 11 percent, one-half of which is paid by the worker and one-half by the employer. These contributions are paid monthly by the employer to the Miners' Old-Age Fund, which operates as an administrative body under the supervision of the Ministry of Labor. The State's subsidy is equivalent to 4.5 percent of total wages, together with an additional 100 million francs per year which is derived from the proceeds of a special coal tax.

The normal retirement age for the receipt of an old-age pension is 55, and 30 years of service are required. An individual ceasing work under those conditions is entitled to a basic pension of 7,500 francs per annum increased by 90 francs for each additional year of work over 30 that he may have had on reaching age 55. Retirement at age 55 is not compulsory, and workers electing to remain on the job have their basic pension increased by 140 francs for each year's work after the age of 55. There is likewise a scaled range of pensions for those miners who, on reaching age 55, have worked for more than 15 years but less than 30; these amounts range from 2,752 francs in the first case to 7,204 francs for 29 years' work. An additional provision allows miners who have worked for 30 years, including 20 years underground, to retire with full pension at age 51 in 1939 and 50 from 1940 on.

Invalidity pensions become payable to miners who, after having been in receipt of sickness benefits from a mutual society for 6 months, are declared two-thirds incapacitated and who have worked in mines for 2,640 working days, at least 500 of which must have been in the 2 years preceding the illness. For the first 5 years this pension is paid in the form of monthly benefits of 390 francs, 90 of which are paid by the mutual society and the balance by the Old-Age Pension Fund. After 5 years, this is increased to a flat annual amount of 4,724 francs. When the insured individual reaches the age of 65 he receives an old-age pension. No invalidity benefits are paid, however, if the accident is covered by workmen's compensation laws or if it resulted from the worker's deliberate intent or neglect.

Old-age pensions equivalent to one-half the amount the husband would have received are provided for widows who are 55 years of age. Half-orphans under 12 are entitled to a pension of 72 francs a month, if the father worked in the mines for 792 days during the 3 years preceding his death; this amount is doubled in the case of full orphans. Payment continues to the age of 14 if the child attends school regularly. There are also provisions for small lump-sum payments to widows and orphans on the death of the insured worker.

Sickness Benefits

Sickness insurance is handled through mutual societies, and membership is compulsory for all mine workers as well as for employees of factories connected with mines when so ordered by ministerial decree. Each mutual society determines the amount of the contribution which is to be paid in equal amounts by the worker and the employer, but which cannot exceed a total of 3.5 percent of wages up to 18,000 francs a year. This contribution is supplemented by a State subsidy which varies in amount from year to year according to the financial needs of the societies. In 1936 this subsidy amounted to nearly 7,500,000 francs. Each society is also allowed to determine the amount of sickness and death benefits which it shall pay to its members. The only Government requirement is that such benefits shall in no case be less than those payable under the general plan for workers in commerce and industry. Details as to the general scale of payments are not available, but unofficial information leads to the belief that the societies pattern requirements after the general social insurance plan.

Workers in Alsace-Lorraine

The social insurance provisions for gainful workers in Alsace-Lorraine are of particular interest, not only because this is the largest group covered by a special system but also because of the manner in which the French Government handled the problem on the return of these provinces to France after the World War. Instead of bringing workers in that territory within the scope of existing French legislation, thereby necessitating complete administrative reorganization with its attendant confusion, the Government deemed it

wiser to retain the framework built up under German legislation and to introduce only modifications necessary in matters of currency and certain administrative details.

Even during the period of German occupation, social insurance matters, while conforming to provisions in force throughout the rest of Germany, were under the direct supervision of the Minister for Alsace-Lorraine Affairs and were governed by separate legislation. Although the first social insurance measures were introduced in Alsace-Lorraine as far back as 1883, the legislation which constitutes the basis of the present administration dates from 1911. On July 19 of that year the provisions for sickness insurance for all gainful workers, and old-age and invalidity insurance for manual workers, were definitely codified. A separate law covering old-age and invalidity insurance for salaried workers came into effect on December 20, 1911. Following the return of the provinces to France, the system was maintained through the laws of October 17, 1919, and article 7 of the law of June 1, 1924, which provided for the establishment of French civil legislation in the Departments of Haut-Rhin, Bas-Rhin, and Moselle. Since that time, as in the case of the rest of France, there have been a number of modifications relating chiefly to changes in amounts of contributions and benefits occasioned by fluctuating financial and economic conditions throughout the country. At the present time, accordingly, the situation is as follows.

Sickness Insurance

Sickness insurance is compulsory for all manual workers, including domestic workers regardless of the amount of their remuneration, and for all salaried employees whose earnings do not exceed 25,000 francs a year. Voluntary insurance is available to those who are excluded under the latter provision and show that their annual earnings do not exceed 30,000 francs a year; any person so insured automatically ceases to be covered after it is established that his or her earnings exceed 30,000 francs.

The administration of sickness insurance is entrusted to a local organization, generally established in each commune or large town, or to a "plant" fund, which can be set up in establishments employing at least 150 workers subject to

compulsory insurance. In either case the fund is self-governing and managed by representatives of the insured and the employers on the basis of two-thirds for the former and one-third for the latter, with a maximum total of 90 persons. The amount of the contributions is left to each fund; the law merely stipulates that the nominal amount should not be in excess of 4.5 percent of the basic wage. If, in the case of a wide-spread epidemic or exceptionally unusual conditions, it is found that nominal contributions do not suffice to meet the benefit requirements, the fund may be authorized to increase the assessment to 6 percent; any further increase in this percentage can be effected only on the basis of mutual agreement between the workers and their employers. Contributions must be paid at least monthly by the employer, who bears one-third of the cost. Voluntarily insured persons are required to pay the full amount.

Normal sickness benefits include both treatment and cash allowances. The former becomes effective with the beginning of the sickness and includes medical and pharmaceutical treatment as well as the provision of certain kinds of appliances such as eyeglasses and trusses. Cash benefits amounting to one-half the basic daily wage are paid after the first day of illness which entails a complete incapacity for work. These benefits can be granted for a maximum of 26 weeks, but the various funds can make provisions for supplementary benefits which may include the extension of the 26-weeks maximum or medical attendance for members of the insured individual's family.

Provisions are also made for maternity benefits for women employees or wives of insured workers; these include (a) a cash allowance equal to that which would be paid under sickness benefits over a period of 8 weeks, 6 of which must be immediately following the delivery; (b) a cash allowance of at least 100 francs and not in excess of 200 francs to cover expenses of confinement and the attendance of a midwife; (c) a nursing bonus of 2 francs a day during the 12 weeks following the delivery.

Finally, in case of the death of an insured member, a funeral benefit of 20 times the basic wage is granted. The funds may make this payment as much as 40 times the basic wage, but the minimum payment may not be less than 300 francs.

Invalidity, Old-Age, and Survivors' Insurance for Workers

All manual workers in Alsace-Lorraine are subject to compulsory insurance against invalidity, old age, and death, and for purposes of contribution payments are divided according to the following wage classes:

<i>Class</i>	<i>Annual earnings (francs)</i>
I.....	up to 3,000
II.....	3,000 to 5,000
III.....	5,000 to 7,000
IV.....	7,000 to 9,000
V.....	9,000 to 11,000
VI.....	11,000 and over

Contribution payments are effected by the employer by means of stamps which are affixed to a book issued to the worker by his local insurance fund. The amounts which are paid in equal shares by the employer and the worker are currently set at:

<i>Class</i>	<i>Weekly contributions (francs)</i>
I.....	1.60
II.....	2.70
III.....	4.00
IV.....	5.30
V.....	6.60
VI.....	8.00

It is stipulated that after January 1, 1936, actuarial computations will be made at least every 5 years in order to determine whether or not the rates are sufficient for the proper operation of the system. If it is found that there is a deficit of 15 percent, the Government may, by decree, either reduce benefit payments by not more than 20 percent or increase the joint contribution by not more than one-third. It may also resort to both of these measures. The income of the fund is further increased by State subsidies.

Eligibility for invalidity benefits becomes established when the insured individual has made at least 200 weekly contributions, and for old-age benefits after completion of 1,200 weekly contributions. The old-age pension, which is normally payable at age 60, comprises a basic amount of 600 francs a year increased by a supplement amounting to one-fifth of the contributions paid; to this is added a State subsidy of 500 francs a year. The invalidity pension is payable to persons who suffered a loss of at least two-thirds of earning capacity during more than 26 weeks—the maximum period of treatment under sickness

insurance. The amount of the pension is established on the same basis as the old-age pension.

If the widow of an insured person suffers from loss of earning capacity of at least two-thirds, she receives two-fifths of the basic amount of the old-age pension which her husband was drawing or of the invalidity pension to which he would have been entitled. The sum is increased by a State subsidy of 500 francs a year plus a lump sum of 62.50 francs payable as a death benefit. Grants to orphans under 15 years of age are equal to one-fifth of the deceased father's pension, with an additional State subsidy of 250 francs a year and a lump sum of 20.82 francs.

Salaried Employees' Insurance

All salaried employees whose annual earnings do not exceed 30,000 francs and who have not reached the age of 55 on entering their occupation are insured against invalidity, old age, and death. There are 13 wage classes ranging from 3,600 francs to 30,000 francs:

<i>Class</i>	<i>Annual earnings (francs)</i>
A.....	up to 3,600
B.....	3,600 to 4,800
C.....	4,800 to 6,000
D.....	6,000 to 7,500
E.....	7,500 to 9,200
F.....	9,200 to 11,000
G.....	11,000 to 13,000
H.....	13,000 to 15,000
J.....	15,000 to 18,000
K.....	18,000 to 21,000
L.....	21,000 to 24,000
M.....	24,000 to 27,000
N.....	27,000 to 30,000

Contributions are fixed on a monthly basis and are paid by the employer, whose share is one-half of the amount; they range from 15 francs in Class A to 140 francs in Class N; they must be remitted no later than the 15th of the month following that for which the report is made. Voluntary insurance is made available to any employee leaving a covered occupation who has made at least 6 monthly contributions under the compulsory system. In that case, he is expected to pay the full amount of contribution. If he has paid 120 monthly contributions he is allowed to retain his acquired benefits merely through the payment of an annual fee of 12 francs. In order to qualify for the old-age pension, male employees must have been within the scope of the plan for

at least 120 contribution months and female employees for 60 months.

The old-age pension is constituted by a basic amount of 720 francs annually, increased by 25 percent of the first 120 contributions and 20 percent of the contributions paid thereafter. The invalidity pension which is established in the same manner as the old-age pension becomes payable if the beneficiary has suffered a loss of earning capacity of at least 50 percent for more than 26 weeks. Widows' pensions comprise a basic sum of 360 francs annually and an increment of two-fifths the amount which was being paid to the deceased husband or to which he would have been entitled in case of invalidity. Orphans' pensions, granted to children under 18 years of age, amount to 120 francs; to this is added a supplement of one-tenth of the deceased parent's pension in the case of half-orphans and one-sixth in the case of full orphans. The sum total of the survivors' pensions may not exceed the pension which the deceased worker was drawing or to which he would have been entitled.

Railroad Workers

Prior to August 31, 1937, five of the seven main railway systems were privately operated under State charters. Since that date, all railroads have been nationalized and taken over by a State-controlled organization known as La Société Nationale des Chemins de Fer Français, which has acquired all their assets, assumed all their obligations, and will be responsible for their operation as a unit until January 1, 1938, at which time they will revert to the State. Prior to the nationalization decree, each line had its own old-age pension fund, under the supervision of a general Pensions Committee of 10 members, 3 representing the State, 3 the railroads, 3 the employees, and 1 the pensioners. These funds were scheduled to be consolidated as of January 1, 1938. No information is at present available to indicate whether the new organization has effected any changes in the social insurance provisions in force before August 31, 1937, and therefore the situation as of that time is outlined here.

All permanent employees of the railroads are protected against the risks of sickness, maternity, invalidity, old age, and death, while auxiliary employees are insured under the general plan for

workers in commerce and industry. No employee contributions are required with respect to the costs of sickness and maternity allowances, but the workers do participate in a number of ways in the accumulation of funds for the other plans. In addition to contributing 5 percent of their salary or wage, they must pay the full amount of their remuneration for the first month following their affiliation with the system, as well as one-twelfth of any annual wage increase which they may receive. If the wage exceeds 60,000 francs a year, contributions are based on 40 percent of the amount between 60,000 and 100,000 francs, and 30 percent on any figure up to 180,000 francs. The railways' contributions are supposed to be sufficient to balance yearly expenditures and amount approximately to 15 percent of wages and salaries. Although there is no fixed subsidy from the State, it has been making up operating losses of the roads and, thus, may be said to bear the full amount of employers' contributions.

Old-Age, Invalidity, and Survivors' Benefits

Railroad workers become entitled to an old-age pension at age 55, and after 25 years' membership in the organization; this age limit is reduced by 5 years for engineers and firemen who have served at least 15 years in those capacities. The pension itself amounts to 1/50 of the individual's average annual wage for each year of service; this "average wage" is computed on the basis of the pensioner's 3 highest-paid years of service. The minimum pension is 5,000 francs a year, and the maximum may not exceed three-fourths of the "average" salary if that salary is not more than 40,000 francs; in the case of salaries above 40,000 francs, the pension is reduced according to a scale in descending ratio to the size of the salary. A deferred pension, at age 55, is given to employees leaving railroad employment after 15 years of service, and personal contributions, plus interest, are refunded to those leaving the service before the completion of 15 years.

The payment of invalidity benefits is not dependent on any waiting period if the injury or sickness results from the performance of regular duties. In other cases, contributions must have been paid over a period of 15 years in order to establish eligibility.

Widows or orphans are granted an allowance of one-half the pension which was being paid to an

insured person or to which he would have been entitled. The widower of a woman employee does not receive survivor's compensation; however, a widow who is herself a railroad employee is not disqualified for the receipt of her own old-age pension because she is also the recipient of a widow's pension. A childless widow must have been married to the insured individual at least 3 years in order to qualify for a pension.

Sickness Insurance

As stated before, the full costs of the system are borne by the railways, which provide whatever funds are necessary to make payments in accordance with the scale established by the national social insurance laws. While the State does not grant a direct subsidy, it does, as in the case of old-age pensions, make up any operating deficits. For several years the railways contended that the basic law of June 30, 1931, establishing sickness insurance for railway employees, did not extend such benefits to the employee's family. As a result of an action brought by the unions, claiming that such benefits were intended by the law, a decree of August 6, 1938, was promulgated which makes the spouse and children of the employee eligible for benefits under the general law for employees in commerce and industry.

Coordination With General Insurance System

Various decrees have been passed to equalize the benefits guaranteed by the special systems and the general system and to protect the benefit rights of workers transferring from one system to another. In the law of October 28, 1935, regulating the general provisions for social insurance in commerce and industry, article 23 states that "decrees are to fix the rules for the coordination of these various plans with the general social insurance system, and determine the procedure for the settlement of the claims of an individual passing from one system to another . . ."

To qualify for protection under the miners' plan, a person transferring from the general system must complete two calendar quarters of affiliation in the case of sickness insurance, four in the case of maternity insurance, and eight with respect to invalidity insurance. If certain benefits should become due in the interim, the necessary

payments are made in accordance with the rules of the mutual-aid society with which the new mine worker has become affiliated, and the worker is given credit for the full time spent in his former occupation. The miners' mutual society is reimbursed by the appropriate organization of the general system. If a mine worker should enter an occupation in commerce and industry, the miners' system remains responsible for any benefits that may become payable during the periods indicated above.

The decree pertaining to railroad employees is more particularly concerned with the status of "temporary" and "permanent" workers, the inference being that there is little or no tendency on the part of individuals to shift from railroad work to other lines of activity, or conversely. As observed before, temporary workers are covered under the general system; this also applies to the families of permanent employees. To qualify for invalidity and old-age benefits under the special system, an individual who transfers from the general system must complete 2 years' service in his permanent status. Any old-age pension rights that may have been acquired under the general system are retained and ultimately paid with the benefits which have been earned on account of railroad service. Inversely, a railroad man transferring to a job under the general system receives credit, for purposes of computing the pension amount under that system, for payments made on his account, including those made prior to June 30, 1930 (the effective date of the general system), on condition that his wages did not exceed the maximum limit established by the general system.

With respect to workers in Alsace-Lorraine, the question of affiliation is mainly to define what constitutes the "place of business." The location of the head office is the determining factor in the great majority of cases. The residence of the worker, however, is considered the place of business when he works at home or by the job. This is also the case for persons who are employed at times in the Departments which make up Alsace-Lorraine and at times in some other Department and for persons who work simultaneously for employers within and without Alsace-Lorraine, since it is stipulated that no one can be covered under both the general and the special system.