

FRANÇOIS SOKAL

Minister of Labour and Social Welfare
of the Republic of Poland.

SOCIAL
INSURANCE IN POLAND



GENEVA

1925

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INTRODUCTION.

The 19th May of the current year is the date of the fifth anniversary of the adoption by the Polish Legislative Diet of the Act respecting compulsory sickness insurance, the first Polish legislative measure concerning social insurance.

In connection with this anniversary I feel that it is fitting to summarise what has been done both legislatively and administratively in the sphere of social insurance.

The present report, prepared with the assistance of the Social Insurance Department of the Ministry of Labour and Social Welfare, gives a general sketch of the work accomplished in regard to these questions during the difficult period of the organisation of the State in process of resuscitation, the part played by social insurance in the economic and social life of the country and the place held by Poland in matters of social legislation.

François SOKAL,

Minister of Labour and Social Welfare.

Historical Sketch.

Poland's social insurance heritage.

Poland consists of three provinces, each of which belonged for more than a century to a different State, viz., the Russian Empire, the Kingdom of Prussia and the Austro-Hungarian Monarchy. In each of these provinces Poland found in force entirely different laws and consequently entirely different social insurance institutions.

Owing to the wide divergences in the economic conditions of the three provinces — a natural consequence of their long participation in the economic life of three different entities — it was not possible to proceed at once to the unification of the laws and institutions relating to social insurance. At the same time, the chaos caused by the sudden severance of all connection between the regions becoming Polish and the respective States to which they had belonged compelled the Polish Government to direct its first efforts to the adaptation of the existing institutions to the new conditions so as to permit the continuance of the work of insurance and, above all, the continuance of the payment of benefits.

This work, however limited it may appear, was not for this reason any the easier.

Without counting the difficulties arising from the heterogeneous regulations in force and from the almost complete lack of officials with administrative experience in these questions, the hardest task was the creation of new bodies to replace the existing institutions, the headquarters and often all the offices of which were situated beyond the Polish frontiers.

Below are given a few details intended to give an idea of the extent of the work which had to be performed and which had suddenly been thrown upon the newly created Polish State.

The laws in force in the territories granted to Poland.

In the various districts obtained by Poland social insurance was regulated by the following fundamental laws (no mention being made of their numerous amendments):

In the former Russian territory:

Act respecting workmen's compensation for industrial accidents

(Part VII of the Act of 1903 respecting conditions of work in industry);

Act of 1912 respecting the insurance against accidents of railway employees;

Act of 1911 respecting accident insurance in State undertakings (in force in the Eastern voivodes);

Act of 1912 respecting sickness insurance (which was never applied).

In the former Prussian territory (now forming the voivodes of Poznan and Pomorze):

German Insurance Code of 1911 covering sickness, accident, invalidity, old age and survivors' insurance;

Act of 1911 respecting the insurance of non-manual workers in private employment;

Act of 1912 respecting miners' insurance.

In the former Austrian and Hungarian territories:

Act of 1888 respecting sickness insurance;

Act of 1887 respecting insurance against industrial accidents;

Act in regard to the Imperial Order of 1914 respecting miners' accident insurance;

Act of 1906 respecting the insurance of non-manual workers in private employment;

Act of 1889 respecting miners' insurance.

Insurance institutions in the territories granted to Poland.

The insurance institutions were even more diverse in form. Moreover, as stated above, the headquarters of the majority of them were situated outside Poland.

In the former Russian regions, of the only two institutions working in the Eastern voivodes (headquarters at Bialystok and Kieff respectively) one had been transferred to and the other was already situated in Russia, at that time at war with Poland.

In the former Prussian regions (voivodes of Poznan and Pomorze) the following institutions were in existence:

629 sickness funds (local, rural and occupational societies and societies covering single undertakings);

47 trade associations (*Berufsgenossenschaften*) for insurance against industrial accidents, only one of which (the agricultural association) had its headquarters in Poland, while others had only branches in Poland, the remainder being in Germany;

4 provincial institutions (*Landesversicherungsanstalten*) and the special institution (*Sonder-Anstalt*) for invalidity, old age and survivors' insurance, only one of which had its headquarters in Poland (Poznan);

1 insurance institution for non-manual workers in private employment (*Reichsversicherungsanstalt für Angestellte*) with its headquarters in Berlin.

The situation was similar in Upper Silesia which was incorporated in Poland at a later date (1922).

In the former Austro-Hungarian regions the following institutions were in existence:

189 sickness funds;

2 Austrian territorial institutions and 2 Austrian trade associations for accident insurance, the headquarters of 3 of which were situated beyond the Polish frontiers;

2 Hungarian institutions, the Provincial Sickness and Accident Insurance Institution and the Agricultural Workers' Fund, the headquarters of both of which were in Budapest;

2 provincial offices of the General Pension Institute for non-manual workers in private employment at Vienna, only one of which had its headquarters in Poland, and a number of subsidiary institutions for the insurance of these workers (in Czechoslovakia alone there were 6 such institutions, the activities of which extended to districts now belonging to Poland), without mentioning a considerable number of schemes for contracting out of the General Institute;

10 miners' insurance funds.

The Polish Government confronted with this situation felt that its first duty was to set up everywhere and without delay institutions to replace the old institutions and above all to secure the immediate payment of current benefits.

For this purpose use was made of certain institutions, the headquarters of which were in Poland, they being adapted to

their new duties and their sphere of action extended. Thus in the voivodes of Poznan (Posen) and Pomorze the Poznan Provincial Insurance Institution was entrusted with accident insurance (except in the case of agriculture), invalidity insurance (except in the case of permanent railway employees) and the insurance of non-manual workers in private employment, a special service being created for each separate branch of insurance, while in the former Austro-Hungarian districts the Leopol Accident Insurance Fund was entrusted with all accident insurance (except in the case of railwaymen) by bringing miners under its competence.

To secure the continuance of insurance for non-manual workers in private employment the Office of the Pension Fund and the Leopol (Lemberg) Mutual Private Employees Insurance Society, which was the largest institution in resuscitated Poland, were amalgamated.

In Upper Silesia an entirely new institution was set up, "The Social Insurance Institution for the Voivode of Silesia," at Krolewska Huta, which has taken the place, as regards accident insurance, of the German trade associations, including the agricultural associations, and as regards invalidity insurance, except for railwaymen and non-manual workers in private employment, of the respective German institutions, the headquarters of which were all situated beyond the limits of Polish Upper Silesia. This institution was also divided into three branches for each class of insurance.

As is shown by this brief review, the Ministry of Labour and Social Welfare in all these transitional measures based its action on the same principle that later was expressed in every legislative and administrative step taken in the sphere of social insurance — the attempt to create a single system of organisation covering, with a view to economy, all branches of insurance on the basis of territorial divisions and to the exclusion of employers', occupational and other divisions. An exception has been made in the case of railwaymen, for whom special Pension Funds have been set up at Poznan and Katowitz. The Poznan Agricultural Accident Insurance Society has also been retained, its competence having been extended to the entire territory of the voivodes of Poznan and Pomorze.

It is fitting here to state that all these new institutions and also the old institutions which were called upon to undertake new duties have done their work in a way deserving of the highest praise, especially when it is remembered that of these

institutions some, such as the Leopol Accident Insurance Fund, were suffering severely from the results of the war, the transfer of business to Vienna and the recent fighting between the Poles and the Ukrainians of which Leopol was the theatre, others, such as the Poznan Insurance Institution, were deprived of their directors and officials who had returned to Germany, while others again had at the time of organisation, hardly any staff with practical experience in social insurance matters.

The increase in expenses.

To these technical difficulties financial difficulties inevitably added their quota. Not only the offices, deeds and records of the insurance institutions, but, what is more important, the funds intended to secure the actual carrying on of the insurance, remained beyond the Polish borders.

It was therefore necessary to find means of meeting actual and future claims for benefits.

The sums required for these purposes were by no means insignificant, especially as in the former Prussian districts it was clearly essential to pay benefits from the beginning not only to those persons who had already in virtue of their employment in these districts become entitled to such benefits, but also to other beneficiaries residing there.

In considering the position it should be remembered that Germany was importing state officials from the lands regained by Poland and exporting labour thereto. The separation of this territory from Germany thus involved on the one hand a considerable movement of emigration on the part of officials, and on the other an extensive movement of immigration on the part of workers, who brought with them their families and very frequently included persons to whom pensions had been granted. The consequence of this twofold fact was first a lack of officials and secondly an excess of labour, unemployment and an increase in the financial burdens of the insurance institutions. Further, in these regions there were already at the time of their cession to Poland numerous beneficiaries whose rights had been acquired through payments made in other and more industrial provinces of the former German Empire. These persons could not be left without help, for the German institutions had, in virtue of the provisions of the German Code relating to the suspension of pension payments in the case of residence abroad, ceased

to make payments to them. In the hope of regulating such questions with Germany on the basis of Article 312 of the Treaty of Versailles, the Polish institutions were instructed, by a Decree of the Minister for the former Prussian districts, to resume these payments on account of the German institutions. The increase in expense resulting from the payment of pensions to all beneficiaries residing in the former Prussian districts was considerable. In the case of the Poznan Insurance Institution alone the number of persons residing in the former Prussian districts and in receipt of pensions granted as the result of accidents that had occurred in Germany beyond the present frontiers of the Polish State was on 1 April 1924 113 per cent of the number of persons in receipt of pensions granted as the result of accidents that had occurred in the districts that had become Polish. (Number of pensions following accidents abroad: 4883; Number of pensions following accidents in Poland: 4306).

These figures are all the more striking if account be taken of the fact that the first covers only beneficiaries who returned to Poland before 31 December 1921, whereas the second covers all persons in receipt of pensions following accidents that happened before the beginning of 1924, and that in addition there are at present in Poland about a thousand persons who were repatriated from Germany after 31 December 1921, who are entitled to pensions from German institutions and who are unable to receive them.

These difficulties, which were particularly acute in the former Prussian districts, were not the sole that had to be met. In all the Polish provinces the insurance institutions found themselves in an extremely awkward position owing to the very fact that they had undertaken the duties of the old institutions established beyond the Polish frontiers, since this had involved an inordinate increase in expenses and on the other hand only opened to them but slender hope of receiving from the respective States the share in the accumulated reserves guaranteed to them by the provisions of the Treaties of Peace (Article 312 of the Treaty of Versailles, Article 275 of the Treaty of St. Germain, Article 256 of the Treaty of Trianon).

To cover these new expenses it was necessary to take the sums required from the only available source, *i.e.*, from the reserve funds accumulated to secure future benefits in their full extent and from the portions of current receipts intended to increase these reserve funds. Even at the risk of weakening

the financial bases of the insurance institutions, recourse had to be made to this heroic remedy, none other being possible, to meet the overriding needs of the moment resulting from the position of accident insurance and of the insurance of non-manual workers in private employment in the former Austrian territories.

For its part the State has had to assist the insurance institutions by, for example, guaranteeing in the former Austrian districts, the repayment to the Leopold Insurance Fund of the capital required to provide the pensions granted to miners on account of the Austrian Institution, and above all by advancing for the first years large sums for the payment of pensions in the former Prussian districts. The autonomous Silesian Treasury has acted similarly in Upper Silesia.

Depreciation and its consequences.

Simultaneously with the technical and financial difficulties the development of social insurance in Poland met with other obstacles, unknown up to then, which in essence were bound up with the general economic and monetary situation of the Polish State.

The Polish mark, the monetary unit introduced by the German military authorities during the occupation, closely connected with the German mark and entirely without any gold basis, was bound to depreciate rapidly. At the time of the foundation of the Polish State it was possible to see this phenomenon taking place in the neighbouring countries; but in these States matters did not move so rapidly, for, owing to the strict closure of the frontiers, it was possible in spite of inflation to maintain the value of money at a certain level by means of administrative regulations.

The Polish Government was thus confronted by an unprecedented situation and found itself compelled to act without the slightest delay in a matter that was entirely new and to invent means of counteracting the effects in social insurance of the depreciation of the mark, which effects were disastrous.

Cost of living grants.

Pensions, especially those of long standing, which had been laid down in the different Acts as fixed sums, deviated with the

continued depreciation of the currency further and further from their original value and in fact from any real value at all. At the same time the resources of the insurance institutions, generally in the form of bonds and investments, losing daily a part of their value with the depreciation of the currency, decreased with great rapidity.

At the beginning there was still room for hope that this was only a transitory phenomenon and attempts were made to remedy the inadequacy of the benefits paid by transitory measures, *i.e.*, by granting beneficiaries cost of living bonuses and by distributing the extra expenses resulting therefrom among the persons paying normal contributions.

With the accelerated decline in the Polish mark the Ministry of Labour and Social Welfare had to multiply the measures taken in connection with cost of living bonuses and to seek new bases for their computation, by granting in some cases fixed sums, in others sums proportional to the basic pension and in others again sums which, added to the pension, provided a certain minimum level of existence.

On this matter 31 Acts and Orders were issued, endeavouring in the first place to improve the position of the beneficiaries and in the second to safeguard the principle of social insurance, which otherwise would have lost both justification and popularity (This number does not include the Acts and Orders issued by the autonomous Silesian Diet and autonomous Silesian authorities).

After a certain lapse of time, however, the fact had at last to be faced that it was impossible for the Polish mark to regain its original value and that in matters relating to social insurance only by the introduction of a stable factor would it be possible to secure a stable value for the benefits paid. Nevertheless the Ministry of Labour and Social Welfare was loth to take definite measures for this purpose, fearing on the one hand the technical difficulties that might result from frequent changes in the nominal value of the benefits paid and on the other that such action would assist still further in the depreciation of the Polish mark by what in fact would be a frank avowal of its uselessness in a whole sphere of legislative action. Towards the end of 1923, however, it was decided, by the Decree of 22 November of that year, to make a first attempt to make the benefits granted in accident insurance dependent on cost of living figures.

Re-valuation of insurance benefits.

However, at the end of 1923 the mark fell so rapidly that public opinion was convinced of the overriding necessity for drastic measures and for an immediate reform in the monetary system. The Acts of 6 December 1923 and of 11 January 1924 authorised the Government and President of the Republic to introduce into Polish legislation first a stable unit of value and secondly a new monetary unit, the "zloty", and to convert into zlotys all obligations hitherto expressed in Polish marks. In matters relating to social insurance the Polish Government, following the initiative of the Ministry of Labour and Social Welfare, used these powers by inaugurating in a series of Orders a process of re-valuation first of the receipts of the insurance institutions, so as to secure adequate revenues for these institutions, then of the cost of living bonuses and lastly of the benefits themselves. At the same time steps were taken to substitute for the sums expressed in the respective Acts in Polish marks equivalent sums in zlotys. In connection with this reorganisation of social insurance, eighteen Orders in all were issued, without counting those promulgated in Upper Silesia, where the autonomous Diet and local authorities respectively published a whole series of Acts and Regulations.

Of these Orders, that of the President of the Republic of 26 June 1924 (respecting invalidity, old age and survivors' insurance), the two Orders of 28 June 1924 (respecting the insurance of non-manual workers in private employment in the former Prussian and Austro-Hungarian districts) and the Order of 27 December 1924 (respecting accident insurance and workmen's compensation for accidents in the whole of Poland except Upper Silesia) are of especial interest in that they deal with the conversion into zlotys of benefits previously fixed in terms of Polish marks.

The general principles on which the re-valuation of benefits was based deserve closer attention, since it is these principles which up to the present have been most completely applied and since it is they which appear to correspond most strictly, within the limits of possibility, with the requirements of equity and justice. For these reasons a brief review may here be of value .

The fundamental idea underlying the action of the Polish Government in its measures of reorganisation was an endeavour

to restore their original gold values to the pre-war benefits, or to fix the equivalent of such values in view of the new living conditions for the benefits granted during the period of depreciation.

A complete realisation of this programme would have encountered insuperable obstacles in the technical difficulties caused both by the differences in wages paid in the various regions and at various times making impossible the application of one single system and by the low value of the reserve funds in comparison with what should have been accumulated. The Ministry of Labour and Social Welfare therefore attempted as far as circumstances permitted to reach the goal desired, while at the same time taking fully into account the requirements and special circumstances of each particular branch of insurance.

In the case of invalidity, old age and survivors' insurance in the former Prussian districts, the benefits granted up to the end of 1918, *i.e.* the maintenance of the payment of benefits granted by the German institutions in spite of entirely inadequate reserves, were converted on the terms of 1 zloty for 1 mark, no account being taken of fractions of zlotys. The benefits granted to insured persons who had become entitled to such payments after the beginning of the period of depreciation were converted on the terms of 1.20 zlotys for 1 mark. In the case of this period of depreciation, however, the basic sum taken in determining all pensions was that established for the insurance of the second class of wage-earners, the class grouping the largest number of insured persons (more than 40 per cent) in pre-war days in the former Prussian districts.

In the case of the insurance of non-manual workers in private employment, where benefits are fixed in accordance with the contributions paid, those paid up to the end of 1914 were converted on the terms of 1.20 zlotys for 1 mark and of 1 zloty for 1 Austrian crown. Contributions paid between the end of 1914 and the end of July 1921 were multiplied by coefficients varying with the successive changes in the value of the currency during this period. Those paid between 1 August 1921, or in certain cases between 1 April 1922, and 1 March 1924 were in principle calculated on the basis of the last contribution paid before the beginning of this period, or, if the person was not then insured, on the basis of the last contribution paid during this period, plus 60 per cent in view of the general increase of contributions since the war.

Lastly in the case of accident insurance the conversion of pre-war pensions was effected on the terms of 1.20 zlotys for 1 Polish mark (1 Polish mark being taken as equivalent to 1 German mark, 0.70 Polish marks as equivalent to 1 Austrian crown and 2.16 Polish marks as equivalent to 1 rouble).

Grants made later were converted by fixing in each province a sliding scale of coefficients based on the monthly figures used in connection with the fluctuations of wages. The purpose of this system was to remedy not only the depreciation of pensions already fixed, but also the continual depreciation of the wages of the beneficiaries during the year before the accidents in question. It thus became possible to remedy the injustice of fixing pensions on the basis of already partially depreciated wages. In addition to the above measures, a Bill providing for supplementary payments to the victims of industrial accidents in the former Russian districts has been brought before the Diet and unanimously adopted by the competent committee. This Bill provides for the payment of lump sums to meet the losses of beneficiaries under the Act respecting workmen's compensation for industrial accidents, who during the period of depreciation have been in receipt of pensions of no real value and have not received any equivalent in the form of cost of living bonuses, such as were granted in the other provinces where the Acts respecting insurance against accident were in force.

Thus the consequences of the depreciation of the currency will be met not only *pro futuro* but also *pro praeterito*.

As has been already mentioned, the question of re-valuation in Upper Silesia has been regulated separately by the autonomous Silesian Diet.

In the case of invalidity, old age and survivors' insurance, by the Act of 3 June 1924 the following fixed rates have been laid down there for pensions granted before 1 June 1924 (*i.e.* for pensions granted before the war and before the end of the period of depreciation):

Invalidity pension	24 zlotys a month
Widow or widower's pension	12 „ „
Orphan's pension	6 „ „
Supplementary invalidity pension for each child dependent on beneficiary .	2 „ „

In the case of the insurance of non-manual workers in private employment the Act of 22 July 1924 provides for the revision

of the pensions paid on the old scale on the basis of the contributions paid in the various wage groups, treating these contributions as if they had been paid in zlotys in accordance with the present terms of the Act. It should, moreover, be noted that such pensions are considerably less numerous than the other pensions owing to the date of coming into force of the Act (1913) and the delay of ten years fixed before the granting of benefits.

In the case of accident insurance the Act of 18 June 1924 provides for the conversion only of pensions for incapacity exceeding 20 per cent., fixing these pensions as if the beneficiaries were in receipt of the following wages:

960	zlotys	a	year	for	male	agricultural	workers
672	”	”	”	”	female	”	”
1200	”	”	”	”	all	other	workers.

In the treatment of beneficiaries below 16 years of age, 60 per cent. of these wages and, in the treatment of beneficiaries of from 16 to 21 years of age, 80 per cent. of these wages are taken.

At the present moment a Bill is in preparation to effect the conversion of all accident insurance pensions in Upper Silesia taking account of the date and basis of their original determination, as has been done in the other Polish provinces.

Development and present situation of insurance in Poland.

THE MODIFICATION AND EXTENSION OF EXISTING LAWS.

The legislative measures, which were already in existence, respecting accident insurance and invalidity, old age and survivors' insurance (insurance of manual and non-manual workers and the supplementary insurance of railwaymen and miners) have, in general, been retained. The changes effected by Poland have been limited to the introduction of certain modifications favouring the insured persons, to the extension of the application of the old laws and to their reform in a few details of organisation. Nevertheless, in certain points considerable improvements have been obtained.

Accident insurance in the former Austrian territories.

The Act of 7 July 1921 introduced important modifications in the legislative provisions respecting insurance against industrial accidents in force in the districts formerly belonging to Austria. The Act has (1) extended the application of compulsory insurance as regards both the undertakings and the persons covered, (2) raised the scale of benefits by cancelling the provisions laying down maximum wages as a basis for the calculation of pensions, (3) increased the influence in insurance administration of the insured persons and employers, and (4) abolished the special system of insurance for mining undertakings by bringing these undertakings under the general scheme.

1. The Austrian Act of 28 December 1887 rendered liable to compulsory insurance all workers and works' employees (*Betriebsbeamten*) employed in factories, foundries, mines, quarries, work yards and docks, in undertakings manufacturing or using explosives, in constructional undertakings, as well as all workers employed in forestry and agricultural undertakings, in which steam boilers and machinery driven by natural or animal power were used.

The Austrian Act, however, excluded from compulsory insurance persons employed on repair work, if not employed in a constructional undertaking, those employed in forestry

and agricultural undertakings, in which steam or motor power was used but temporarily and did not form part of the permanent machinery of the undertaking, those employed on the erection of one-storey dwellings and other buildings in provincial towns and rural districts, subject to the condition that in such work were engaged only the proprietor, members of his family or other persons not employed regularly in the building trade.

The Act of 7 July 1921 cancelled these exceptions and extended compulsory insurance to all undertakings carried on for the purpose of gain and to all building work and excavating work carried on in connection with construction and in building yards, in the widest interpretation of these terms, as well as to all forestry and agricultural undertakings and all undertakings in which engines or closed steam boilers of any kind are used, without regard to the purpose of the undertaking.

Compulsory insurance covers equally State undertakings and undertakings belonging to natural or artificial persons (*e.g.* companies and public authorities).

The only exception, and this is only theoretical, is that of permanent State officials who receive in cases of accidents benefits not less than those provided by the accident insurance Act and who are in the same position as insured persons with regard to the determination of their pensions. As already stated, this exception exists only in theory since the Act providing pensions for these officials gives them no power to determine retirement pensions and consequently the above provision has no practical application.

Insurance is also compulsory for commercial employees in general, and not only for clerical employees engaged in industrial undertakings, for the members of the employer's family employed in his undertaking even without payment and for prisoners employed in such a way as to make them liable to such insurance.

It should, however, be noted that in virtue of the Act of 30 January 1924 the application of compulsory accident insurance to agricultural undertakings of less than 30 hectares (1 hectare = 2.471 acres) has been deferred until legislation has been passed to provide for the collection through the local authorities of the insurance contributions payable by such undertakings.

2. The Austrian accident insurance legislation contained, for the computation of benefits, maximum wage limits. In the

case of manual and non-manual workers the maximum was fixed at 3,000 crowns a year, any wages gained in addition to this sum not being counted in the calculation of pensions. In the case of apprentices, voluntary workers and other persons who, owing to their incomplete occupational training, were receiving either no wages or lower than normal wages and for whom benefits were computed on the basis of the lowest wage of the worker or employee obtaining full wages in the class for which the worker in question was preparing, the maximum was fixed at 1,200 crowns a year.

The Act of 7 July 1921 repealed all these restrictions and provided for the computation of pensions on the basis of the actual annual wages.

The maximum funeral grant fixed at 100 crowns in the Austrian legislative provisions has been replaced by the sum of two-thirds of the monthly wage.

3. In addition to the above alterations, the Act of 7 July 1921 contained important modifications in the administration of accident insurance.

In Austria compulsory accident insurance was administered by regional institutions, the headquarters and geographical limits of which were laid down by the Minister for the Interior.

With a view to reducing expenses and to obtaining strict uniformity in the application of the law, the Act of 7 July 1921 entrusted the administration of accident insurance to a central institution empowered to form branches with, however, strictly limited powers.

In Austria each insurance institution was managed by a committee, two-thirds representative of insured persons and employers in equal numbers and one-third appointed by the Minister of the Interior.

The Act of 7 July 1921 provides that the managing committee of the Central Accident Insurance Institution shall consist solely of representatives of insured persons and employers appointed on the basis of numerical equality.

By this means the decisive factor in the application of the accident insurance legislation is reserved to the persons directly concerned, the insured persons and their employers, the administrative bodies being limited to the task of supervision.

4. The Act of 7 July 1921 further brought under the scope of compulsory insurance, through the medium of the general Insurance Institution, the mining undertakings which had till then been subject to special treatment. The application of the Act was also extended to the former Hungarian territory.

Accident insurance in the former Russian territory.

The Act of 30 January 1924 extended, as from 1 July 1924, the legal provisions concerning compulsory accident insurance in force in the former Austrian regions to the former Russian regions. This Act has effected the following modifications in the legal situation anterior to its execution:

1. The individual responsibility of the employer in case of accidents is replaced by compulsory accident insurance, thus granting the insured persons sounder guarantees for the payment of benefits;

2. Instead of long and difficult processes before the ordinary courts of law, provision is made for a special procedure to deal before boards of arbitration with any disputes that may arise;

3. The insured persons have been granted equal representation with the employers on the managing committee of the Insurance Institution and on the boards of arbitration;

4. The computation of more generous pensions is permitted by the adoption as the basis of such computation the average daily wage of the worker multiplied by 300 (annual wage), whereas the Russian Act of 1903, which remained in force in Russian Poland until 1 July 1924, provided for multiplication by 260.

Accident insurance in the former Prussian territory.

The Decree of 12 April 1921 of the Minister for the former Prussian territory appointed as managing committee of the Accident Insurance Service of the Poznan Insurance Institution the managing committee of the Institution itself. This committee is composed of, in addition to officials, equal numbers of representatives of the employers and of the insured persons and thus insured persons have been associated in the management of accident insurance, till then entirely in the hands of the employers.

Accident insurance in Polish Upper Silesia.

The Decree of 12 September 1922 of the voivode of Silesia restored pension rights to the members of families domiciled

in Poland and dependent on persons deceased as the result of accidents that had occurred in undertakings in Polish Upper Silesia. The old German institutions, basing their action on § 596 of the German Insurance Code, had refused to pay benefits in such cases, as the persons in question were not at the time of death inhabiting German territory.

As in the former Prussian territory, but to a larger extent, the Decrees of the voivode of 28 June and 12 September 1922 granted insured persons the right, unacknowledged till then, to share in the management of accident insurance, by introducing into the managing committee and the board of governors of the Insurance Institution established at Krolewska Huta representatives of insured persons in numbers equal to those of the employers' representatives.

Invalidity, old age and survivors' insurance in Polish Upper Silesia.

With regard to invalidity, old age and survivors' insurance, the Decree of 12 September 1922 of the voivode of Silesia restored, as for accident insurance, complete pension rights to the members of families, domiciled in Poland, of insured persons who had paid contributions in Polish Upper Silesia, and to the beneficiaries in the case of whom the German institutions had reduced the pensions by half and refused the payment of the State supplementary grants on the grounds of their residence beyond the limits of German territory at the time of the death of the insured person.

The provisions relating to benefits were similarly modified to the advantage of the insured persons in many instances, of which reference is here made only to the most important.

The age limit entitling the insured person to an old age pension was lowered from 65 to 60 years in virtue of the Silesian Act of 31 January 1923 and the amount of the pension was computed on a similar basis to that of an invalidity pension, which involved a more or less considerable increase according to the time during which insurance contributions had been paid.

The same Act of 31 January 1923 excluded entirely from invalidity insurance persons liable to the insurance of non-manual workers in private employment and at the same time granted to the persons affected considerable privileges on their transfer from the one insurance scheme to the other. Thus

contributions paid towards the insurance of non-manual workers in private employment are taken into account, in the computation of invalidity insurance, should the insured person not have contributed in the case of invalidity insurance for the legal minimum period. Similarly the periods of payment in the insurance of non-manual workers in private employment are considered as equivalent to invalidity insurance contributions in matters relating to retention of pension rights.

The age limit governing the payment of pensions to orphans and to the children of beneficiaries was raised from 15 to 18 years by the Act of 17 October 1923.

By the same Act recognised legitimised children, illegitimate children whose paternity has been established and, lastly, step-children and grand-children dependent on the insured person have been assimilated with orphans and legitimate children, or, where such cases were already covered, illegitimate children.

The Act also provides for the payment of a lump sum, equal to three times the annual pension, to persons who by re-marriage cease to be entitled to a widow's pension.

The insurance of non-manual workers in private employment in the former Austrian territory.

The sphere of application of the Austrian Act respecting the insurance of non-manual workers in private employment has been considerably extended by the Act of 10 June 1921.

By the old provisions only workers in clerical employment or engaged for the greater part of their time on brain work were subject to insurance. The Act of 10 June 1921 extended compulsory insurance to the subordinate staff in commercial undertakings and to all persons employed other than in domestic service or as manual workers. By bringing within the scope of insurance this numerous body of persons who are neither manual workers nor clerical workers strictly so-called, an attempt has been made to remedy the lack of a system of invalidity, old-age and survivors' insurance covering all wage-earners.

The above-mentioned Act and the Act of 22 September 1922 have reduced the exceptions from compulsory insurance and increased the advantages to be derived therefrom. It has thus cancelled the exceptions permitted in the case of the following classes: employers' children, members of the board of management of companies endowed with legal personality, employees

in educational establishments, the staff of private railways and workers in commercial undertakings engaged exclusively in the export trade. Further, it only permits exceptions in the case of workers in the employment of the local authorities, if such workers are entitled to pension rights similar to those enjoyed by State officials and, in the case of the employees of public institutions, if such workers are entitled to benefits at least equivalent to the benefits provided in the Acts, whereas the old Act did not lay down what scale of benefits should be regarded as involving this exemption. The maximum wage taken into consideration in the computation of benefits is fixed at 5000 zlotys (after conversion) instead of the old pre-war maximum of 3000 crowns. The distribution of contributions between the employer and the insured worker has been modified, to the latter's advantage, as follows:

1. Insured workers in receipt of less than 1200 zlotys a year pay no part of the contribution;
2. Insured workers in receipt of from 1200 to 3000 zlotys a year pay one third of the contribution;
3. Insured workers in receipt of more than 3000 zlotys a year pay one half of the contribution.

The old Austrian Act, on the other hand, provided that:

1. Insured workers in receipt of from 600 to 2400 crowns a year paid one third of the contribution;
2. Insured workers in receipt of from 2400 to 7200 crowns a year paid one half of the contribution;
3. Insured workers in receipt of over 7200 crowns a year paid the whole contribution.

The Act of 10 June 1921 also made the following modifications in the scale of benefits:

1. Increase, in the case of invalidity pensions granted between the fifth and tenth year of contribution, of 2 per cent of the annual wages;
2. Increase, in the case of invalidity and old age pensions in respect of each child under the age of 15 years of one-sixth of the pension based on the period of insurance, limited however to a maximum of 120 months' contributions;
3. Increase, in the case of beneficiaries requiring the constant assistance of another person, of 50 per cent of the pension granted;
4. Extension of pension rights to orphans of over 18 years of age if incapacitated.

The number of representatives of insured workers on the managing committee of the insurance institution has been increased from one half to two-thirds of the total membership of the committee. Finally the option of substituting for compulsory insurance a contract between the employer and employee has been abolished, which abolition has on the one hand contributed to the strengthening of the financial bases of the insurance institution and on the other remedied the absence of adequate security for the insured worker, so often lacking in these contracts. At the same time more onerous conditions of recognition have been imposed upon the institutions providing schemes for contracting out of the general scheme, by requiring from them the payment of considerably higher benefits, larger membership and stronger financial resources.

Insurance of non-manual workers in private employment in the former Prussian territory.

The scope of the Act respecting the insurance of non-manual workers in private employment in force in the former Prussian districts was widened considerably by the Act of 22 September 1922, which abolished the restrictions limiting compulsory insurance to workers earning less than a certain fixed salary.

At the time of the monetary reform (Decree of 28 June 1924 of the President of the Republic) the wage limits, contributions and consequently benefits were raised by from about twice to about five times their old amounts, thus bringing the general level of insurance on a par with that of non-manual workers in private employment in the former Austrian districts. At the present moment the contributions exacted are from 8 per cent to 10 per cent of the wages of the insured persons, 1200 zlotys and 6100 zlotys a year being considered as the minimum and maximum wages respectively.

Insurance of non-manual workers in private employment in Polish Upper Silesia.

The Act respecting the insurance of non-manual workers in private employment in force in Polish Upper Silesia has been

modified by the Silesian Acts of 20 November 1923 and 22 July 1924.

The maximum annual wage for compulsory insurance has been raised from 5000 marks (pre-war) to 8400 zlotys.

The faculty of voluntarily continuing the insurance is now subject to the proviso that workers who cease to be compulsorily insurable must nevertheless continue their insurance for a period of at least four months. Further voluntary membership of the insurance scheme has been thrown open to persons carrying on for themselves occupations subject to compulsory insurance and to persons exempt from compulsory insurance owing to the fact that they are only employed temporarily or receive wages only in the form of maintenance, subject to the proviso that such persons have not yet attained forty years of age.

The wage groups have been raised and now cover annual wages of from 720 to 8400 zlotys instead of the former figures of from 550 to 5000 marks.

A drastic change has been effected in the method of computing pensions. The old Act provided that the invalidity pension should be established on the basis of one quarter of the contributions paid during the waiting period and one eighth of the contributions paid after the expiration of this period, whereas the new provisions provide a basic pension of 240 zlotys a year fixed independently of the wage group and of the increases granted for each additional month's contribution.

Beneficiaries, on whom children under 18 years of age are dependent, receive 5 zlotys a month in respect of each child. Illegitimate children whose parentage has been established, grandchildren, step-children and adopted children are for this purpose treated as legitimate children.

The widow (or widower's) pension is fixed, as formerly, at four-tenths of the *invalidity pension* of the insured person.

On the other hand, the pension for a fatherless or motherless child has been fixed at two-tenths and that of a full orphan at three-tenths of the *invalidity pension* of the insured person instead of, as formerly, at one-fifth and one-third respectively of the *widow's pension*.

The managing committee of the Service for the insurance of non-manual workers in private employment of the Social Insurance Institution is composed of two officials, two insured persons and two employers. Decisions are taken by a majority vote, subject to the proviso that to form a quorum the elected

members of the committee must out-number the other members, whereas the old provisions required a majority of officials.

By this step the influence of the elements directly concerned in the working of the Institution has been greatly increased and has in fact become decisive.

Act relating to the treatment of foreigners in the application of the legal provisions respecting social insurance.

The position of foreigners in regard to the application of the legal provisions in force in Poland has been notably improved by the Polish Act of 6 July 1923 to extend the legal provisions respecting compensation for industrial accidents, invalidity, old age, death and unemployment to nationals of other States. This matter is dealt with in the Act not only in accordance with the principles embodied in the draft for an international Convention at present under examination by the International Labour Conference (June 1925) but still more generously, since in principle the Act grants to foreign subjects all rights arising from the legal provisions in force in Poland respecting social insurance, including the rights to benefits and extra bonuses, without restriction and without subjection to the inclusion of these rights in special conventions. All that is provided in this last respect is that the Council of Ministers may, if another State restricts the corresponding rights of Polish nationals, issue regulations restricting the rights in question of nationals of the said State in Poland; and here it may be noted that no such action has so far been taken by Poland, although certain States still restrict the corresponding rights of Polish nationals. The effect of the Act of 6 July 1923 was to modify considerably the legal position existing up to that date, since the German and Austrian legal provisions contained a whole series of restrictions in the case of foreign subjects.

These restrictions were of a twofold character.

In the first place, the pension rights of the members of families of foreign nationals were either completely cancelled or considerably diminished in cases where, at the time of death of the insured person, these relatives were, residing abroad. Both principles were applied in the former Prussian territory in

virtue of the German Insurance Code; the rights were cancelled in regard to accident insurance and considerably diminished in regard to invalidity, old age and survivors' insurance, survivors' pensions being reduced by half and remaining unaffected by the supplementary State grants.

In the second place the pension rights of insured persons of foreign nationality were suspended during residence abroad (accident insurance in the former Prussian territory) or the insurance institution was entitled to convert the pension into a lump sum (accident insurance and the insurance of non-manual workers in private employment in the former Austrian territory).

All these restrictions covering foreigners and their families were repealed by the Act of 6 July 1923 and the same principle of equity is maintained in the new Polish Acts respecting sickness and unemployment insurance which contain no such restrictive provisions.

ACTIVITY OF THE INSURANCE INSTITUTIONS.

In illustration of the practical importance of social insurance in Poland, in this section are given a few statistical details concerning the activity of the insurance institutions.

These figures deal separately with each separate region in which are still in force partially different legal provisions respecting social insurance. These regions are the following:

1. The voivodes of Poznan and Pomorze, i.e. the territory ceded directly to Poland by Germany in virtue of the Treaty of Versailles (former Prussian territory);

2. The former Prussian portion of the voivode of Silesia, i.e. the portion of Upper Silesia ceded to Poland by Germany in June 1922;

3. The voivodes of Cracow, Leopold, Tarnopol and Stanislawow and the former Austrian portion of the voivode of Silesia (Cieszyn and Bielsko districts), i.e., the former Austrian and Hungarian territory;

4. The other voivodes, i.e., the former Russian territory (voivodes of Warsaw, Lodz, Kielce, Bialystok, Lublin, Nowogrodek, Polesia, Volhynia and Vilna).

The following table shows the area and population of these regions.

Region	Area in square miles	Population
Voivodes of Poznan and Pomorze	16,534	2,913,552
Voivode of Silesia (former Prussian districts)	1,250	980,296
Voivodes of Cracow, Leopold, Tarnopol, Stanislawow and the voivode of Silesia (former Austrian districts)	30,794	7,630,717
Other voivodes	100,781	15,668,109
Total	149,359	27,192,674

Most of the figures given in this section and relating to the work of the social insurance institutions refer to 1924, statistics for earlier years being of but relative value owing to the fact that they were expressed in depreciated Polish marks. Nevertheless it must be remembered that 1924 was, as a result of the

reform of the monetary system and of the stabilisation of the State finances, a year of financial crisis for Poland, bringing with it an abnormal amount of unemployment which was bound to affect the working of the Polish insurance institutions.

Accident Insurance.

1. Number of undertakings registered.

Region	Insurance Institution	No. of undertakings
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	9,533 ¹
	Agricultural Accident Insurance Institution	233,538 ²
Voivode of Silesia (former Prussian districts)	Krolewska Huta Social Insurance Institution	Industry: 4,001 ¹
		Agriculture: 37,556 ²
Voivodes of Cracow, Leopold, Stanislawow, Tarnopol and the voivode of Silesia (former Austrian districts)	Leopol Accident Insurance Fund	30,155 ¹
Other voivodes		2,950
Total		317,733

2. Number of insured persons.

Region	Insurance Institution	Persons insured
Voivodes of Poznan and Pomorze	Poznan Insurance Institution Agricultural Accident Insurance Institution	207,487 ¹
		898,985 ²
Voivode of Silesia (former Prussian districts)	Krolewska Huta Social Insurance Institution	Industry: 235,454 ¹
		Agriculture: 100,000 ³
Voivodes of Cracow, Leopold, Stanislawow, Tarnopol and the voivode of Silesia (former Austrian districts)	Leopol Accident Insurance Fund	246,671 ²
Other voivodes		341,106 ¹
Total		2,029,703

¹ 1924.

² 1923 (the 1924 figures are still incomplete)

³ Estimated figures; the agricultural insurance service possesses no exact figures of the number of persons insured; contributions are based on the taxation figures.

There are fewer persons insured in the former Austrian and former Russian districts than in the former Prussian districts owing to the following circumstances:

1. The insurance of agricultural workers employed in undertakings of less than 30 hectares has been temporarily postponed in the two regions in question;

2. Undertakings not using motor power and employing less than 15 workers and undertakings using motor power and employing less than 5 workers are in the former Russian districts not yet liable to compulsory insurance. Steps have been taken to bring them under insurance as from 1 July 1925 to the same extent as in the former Austrian districts.

3. Number of pensions paid by the insurance institutions.

(a) Accident pensions according to the degree of incapacity.

Region	Insurance Institution	10 % and under		20 %/100 - 33 1/3 %/100		33 1/3 %/100 - 50 %/100		50 %/100 - 66 2/3 %/100		66 2/3 %/100 - 83 1/3 %/100		83 1/3 %/100 - 100 %/100		100 %/100 - 150 %/100	
		10 %/100	under - 20 %/100	20 %/100	- 33 1/3 %/100	33 1/3 %/100	- 50 %/100	50 %/100	- 66 2/3 %/100	66 2/3 %/100	- 83 1/3 %/100	83 1/3 %/100	- 100 %/100	100 %/100	- 150 %/100
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	2	2976	1568	964	446	475								
	Agricultural Accident Insurance Institution . .	2806	3839	4149	1950	814	823								
Voivode of Silesia (former Prussian districts)	Krolewska Huta Social Insurance Institution . .	4683	5431	4351	2203	875	941		62						
Voivodes of Cracow, Leopold, Stanislawow, Tarnopol and the voivode of Silesia (former Austrian districts)	Leopold Accident Insurance Fund .	344	917	1176	742	411	767	129	16						
	Other voivodes (former Russian territory)	439	205	130	120	45	52	51	1						
Total		8274	13368	11374	5979	2591	3317								

(b) *Accident and survivors' pensions.*

Region	Insurance Institution	Number of Pensions				Total
		Accident	Widows	Orphans	Other members of the family: parents, etc., descendants, brothers, sisters	
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	6431	1559	982	87	9059
	Agricultural Accident Insurance Institution	14381	1933	985	27	17326
Voivode of Silesia (former Prussian districts)	Krolewska Huta Social Insurance Institution . .	18546	3737	3980	172	26435
Voivodes of Cracow, Leopold, Stanislawow, Tarnopol and the voivode of Silesia (former Austrian districts)	Leopold Accident Insurance Fund.	4502	942	930	147	6521
Other voivodes (former Russian territory)		1043	247	445	74	1809
	Total . . .	44903	8418	7322	507	61150

4. Monthly pension expenditure (in zlotys after re-valuation).

Region	Insurance Institution	Amount of Pensions				
		Accident	Widows	Orphans	Other members of the family	Total
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	104778	25895	19294	1454	151421
	Agricultural Accident Insurance Institution . .	114436		28662		143098
Voivode of Silesia (former Prussian districts)	Krolewska Huta Social Insurance Institution. . .	317667		141071		458738
Voivodes of Cracow, Leopold, Stanislawow, Tarnopol and the voivode of Silesia (former Austrian districts)	Leopol Accident Insurance Fund	79192	12343	9306	1434	102275
Other voivodes (former Russian territory)		10162	4077	4045	573	18857 ¹
Total		626235		288154		874389

¹ This figure is composed chiefly of the pensions fixed on the basis of the old provisions respecting workmen's compensation for accidents, the payment of which pensions was continued by the Insurance Institution after these old provisions had been repealed in virtue of the Accident Insurance Act.

5. Total expenditure of the insurance institutions in 1924 on benefits and management (in zlotys).

Region	Insurance Institution	Expenditure	
		Benefits	Management (including enquiries)
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	656,771.09	191,729.74
	Agricultural Accident Insurance Institution	416,902.39	179,406.75
Voivode of Silesia (former Prussian districts)	Krolewska Huta Social Insurance Institution . . .	3,825,634.85	355,858.02
Voivodes of Cracow, Leopold, Stanislawow, Farnopol and the voivode of Silesia (former Austrian districts)	Leopol Accident Insurance Fund .	873,636.37	587,583.15
Other voivodes (former Russian territory)			
	Total	5,772,944.70	1,314,577.66

As the annual balances are not yet in all cases complete the above figures may have to be modified in a few minor instances.

The high cost of administration of the Leopold Insurance Fund is justified by the extension of the competence of the society to the former Russian territory and the consequent expenses on account of organisation.

It is not possible to compare the expenditure on account of benefits in 1924 with the monthly total of pensions given above, as the latter figures refer to the position after the reorganisation of pensions settled for the most part in 1925, whereas the 1924 benefit expenditure covers generally the low-valued pensions and inadequate cost of living allowances paid that year. Moreover, the Leopold Insurance Fund has only paid benefits in the former Russian territory since 1 July 1924.

The expenditure on account of benefits also includes the provision of the following prosthetic and orthopaedic instruments:

Poznan Insurance Institution: purchase of 38 prosthetic apparatuses and 20 pairs of orthopaedic boots, repair of 74 prosthetic apparatuses

Krolewska Huta Insurance Institution: expenses amounting to 63,324.91 zlotys.

Leopol Insurance Fund: expenses amounting to 807,132 zlotys (prosthetic apparatuses for 14 victims of accidents).

Invalidity, old age and survivors' insurance.

The number of persons insured under invalidity, old age and survivors' insurance cannot be calculated with absolute accuracy, since the insurance institutions, with the exception of the Railwaymen's Retirement Fund, do not keep registers of insured persons, contributions being paid by means of special stamps which are affixed to receipt cards with spaces for 52 stamps representing 52 weekly contributions.

It is only from the receipt cards delivered and the stamps sold by the insurance institutions that an approximate idea can be given of the number of insured persons.

1. Number of insurance cards annually distributed.

Region	Insurance Institution	No. of insurance cards distributed					
		1919	1920	1921	1922	1923	1924
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	202,158	226,355	351,086	391,202	367,422	349,329
Voivode of Silesia (former Prussian districts)	Krolewska Huta Social Insurance Institution	Established in the middle of 1922			140,829	271,846	297,694

2. Number of stamps sold after the period of re-valuation.

Region	Insurance Institution	No. of stamps sold	Value in zlotys
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	(from I / V to 31 / XII 1924) 7,796,511	6,426,923.60
Voivode of Silesia (former Prussian districts)	Krolewska Huta Social Insurance Institution	(from I / VI to 31 / XII / 1924) 4,891,784	4,682,667.90

The Railwaymen's Retirement Fund covered:

In the voivodes of Poznan and Pomorze	31,319	insured persons
In the voivode of Silesia (former Prussian districts)	13,583	„ „
	<u>44,902</u>	„ „

The number of stamps sold by the insurance institutions and the number of insured persons in the Railwaymen's Retirement Fund were distributed in the following manner among the various wage groups during the periods of from 1 May and 1 June respectively to 31 December 1924.

Region	Wage Group	Percentage of insured persons			
		Poznan Insurance Institution	Railwaymen's Retirement Fund	Krolewska Huta Insurance Institution	Railwaymen's Retirement Fund
Voivodes of Poznan and Pomorze	I. Not exceeding 500 zlotys a year	27.69	0.14		
	II. 500 to 700 „ „ „	13.80	0.12		
	III. 700 „ 900 „ „ „	12.09	0.41		
	IV. 900 „ 1150 „ „ „	11.48	0.23		
	V. Above 1150 „ „ „	34.94	99.10		
Voivode of Silesia (former Prussian districts)	I. Not exceeding 660 zlotys a year			23.68	5.36
	II. 660 to 960 „ „ „			11.95	3.16
	III. 960 „ 1320 „ „ „			16.40	1.65
	IV. 1320 „ 1620 „ „ „			17.54	2.35
	V. Above 1620 „ „ „			30.43	87.48

3a. Number of pensions in course of payment at the end of 1924.

Region	Insurance Institution	No. of Pensions				
		Invalidity and sickness	Old age	Widows	Orphans	Total
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	28,448	12,119	5,444	37,066	83,077
	Railwaymen's Retirement Fund	1,289	139	360	1,933	3,721
Voivode of Silesia (former Prussian districts)	Krolewska Huta Insurance Institution	15,305	2,106	3,478	12,137	33,026
	Railwaymen's Retirement Fund	401		64	538	1,003
Total		59,807		9,346	51,674	120,827

3b. Number of pensions granted in 1924.

Region	Insurance Institution	No. of pensions granted in 1924				
		Invalidity, old age and sickness		Widows	Orphans	Total
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	6,202	1,968	1,177	4,406	13,753
	Railwaymen's Retirement Fund	285	7	68	95	455
Voivode of Silesia (former Prussian districts)	Krolewska Huta Insurance Institution	5,855 ¹		905	1,501	8,261
	Railwaymen's Retirement Fund	136 ¹		24	71	231
	Total . . .	14,453		2,174	6,073	22,705

4. Monthly pension expenditure at the end of 1924.

Region	Insurance Institution	Sums distributed each month (in zlotys)				
		Invalidity and sickness	Old age	Widows	Orphans	Total
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	411,978.70	153,941.55	34,171.05	111,313.45	711,404.75
	Railwaymen's Retirement Fund	25,045.05	2,179.85	2,551.85	6,304.60	36,081.35
Voivode of Silesia (former Prussian districts)	Krolewska Huta Insurance Institution	367,320.00	50,544.00	41,736.00	72,822.00	532,422.00
	Railwaymen's Retirement Fund	9,758.00		770.00	3,177.00	13,705.00

¹ In virtue of the present provisions, old age pensions are replaced by invalidity pensions granted on the attainment of the age of 60 years.

5. Monthly State contributions.

Region	Insurance Institution	State Contributions	
		Invalidity, old age and widows' pensions	Orphans' pensions
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	Not yet known	
	Railwaymen's Retirement Fund	Not yet known	
Voivode of Silesia (former Prussian districts)	Krolewska Huta Insurance Institution	104,445	30,342.50
	Railwaymen's Retirement Fund	2,325	1,345

6. Treatment effected through insurance institutions.

Region	Insurance Institution	No. of persons treated	Illness or kind of treatment	No. of days treatment	Various
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	259	Pulmonary diseases (187 patients) Medico-mechanic treatment (1 patient)	6,728 12	Dental Treatment (71 patients)
	Railwaymen's Retirement Fund	127	Pulmonary diseases Rheumatic complaints Mental diseases	6,645 28 50	
Voivode of Silesia (former Prussian districts)	Krolewska Huta Insurance Institution	476	Tuberculosis (128 patients, sanatorial treatment)	7,708	Dental treatment (67 patients)
			Rheumatic complaints, convalescence, 264 patients) Hospital treatment (3 patients) Surgical operation (1 patient)	9,084 110 5	Eye treatment (2 patients) Other treatment (5 patients)
	Railwaymen's Retirement Fund	68	Pulmonary diseases (51 patients) Rheumatic complaints (9 persons) Heart complaints (8 persons)	1,419 337 224	

7. Insurance institution hostels and hospitals.

Regions	Insurance Institution	Hospitals, etc.
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	1. Oborniki sanatorium for pulmonary cases 2. Medico-mechanic institute 3. Dental institute 4. Zagorze (Pomerania) summer colony
	Railwaymen's Retirement Fund	1. Chodziej sanatorium (under construction) 2. Chodziej pensioners' home (for solitary pensioners) 3. Moszczenica (Upper Silesia) saline springs. (the construction of a sanatorium is planned)
Voivode of Silesia (former Prussian districts)	Krolewska Huta Insurance Institution	Jastrzebie Springs convalescent home

8. Total expenditure of the insurance institutions in 1924 on benefits and management.

Region	Insurance Institution	Sums spent (in zlotys)		
		Cash benefits	Benefits in kind	Cost of management (including enquiries, etc.)
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	5,219,024.37	19,635.12	453,419.77
	Railwaymen's Retirement Fund	not yet known	13,344.43	5,840.00
Voivode of Silesia (former Prussian districts)	Krolewska Huta Insurance Institution	4,546,351.86	149,728.99	186,644.28
	Railwaymen's Retirement Fund	not yet known	17,382.56	Expenses met by the railway administration.

9. Insurance institution receipts in 1924.

Region	Insurance Institution	Total receipts (in zlotys)	
		Contributions	Investments
Voivodes of Poznan and Pomorze	Poznan Insurance Institution	6,849,732.49	200,228.45
	Railwaymen's Retirement Fund	1,511,784.62	—
Voivode of Silesia (former Prussian districts)	Krolewska Huta Insurance Institution	7,052,119.15	133,297.34
	Railwaymen's Retirement Fund	631,593.64	—
	Total . . .	16,045,229.90	333,525.79

The insurance of non-manual workers in private employment.

1. Number of employers registered in 1924.

Region	Insurance Institution	Number of employers
Voivodes of Poznan and Pomorze	Service for the insurance of non-manual workers in private employment of the Poznan Insurance Institution	7,146
Voivode of Silesia (former Prussian districts)	Service for the insurance of non-manual workers in private employment of the Krolewska Huta Institution	2,464
Voivodes of Cracow, Leopold, Tarnopol, Stanislawaw and the voivode of Silesia (former Austrian districts)	Leopol Insurance Institution for non-manual workers in private employment	4,536
	Total	14,146

2. Number of insured persons in 1924.

Region	Insurance Institution	No. of insured persons		
		Men	Women	Total
Voivodes of Poznan and Pomorze	Service for the insurance of non-manual workers in private employment of the Poznan Insurance Institution.	17,087	10,364	27,451
Voivode of Silesia (former Prussian districts)	Service for the insurance of non-manual workers in private employment of the Krolewska Huta Institution.	20,025	5,595	25,620
Voivodes of Cracow, Leopold, Tarnopol, Stanislawow and the voivode of Silesia (former Austrian districts)	Leopold Insurance Institution for non-manual workers in private employment.	18,701	7,049	25,750 ¹
Total.		55,813	23,008	78,821

3. Distribution of the members among wage groups.²

Region	Insurance Institution	Wages (in zlotys)	No. of insured persons	
			Men	Women
Voivodes of Poznan and Pomorze	Service for the insurance of non-manual workers in private employment of the Poznan Insurance Institution	Not exceeding 1200	7815	5672
		1200 - 1500	1449	1082
		1500 - 1800	1710	1083
		1800 - 2200	1503	806
		2200 - 2700	1403	675
		2700 - 3200	929	341
		3200 - 3800	717	262
		3800 - 4900	737	215
		4900 - 6100	824	228
		and above		

¹ At the end of 1913 the two institutions amalgamated to form the Leopold Insurance Institution (The Mutual Private Employees Insurance Society and the Office of the General Pension Fund) together covered 12,948 persons. It is true that the competence of these societies did not extend over the districts of Bielsk and Cieszyn, but on the other hand it extended over Bukovina, now belonging to Roumania. The almost double number of members is the result of the extension of the scope of insurance secured by the Polish Act of 10 June 1921.

² The wage-earning groups in the voivodes of Poznan and Pomorze differ from those in the former Prussian districts of the voivode of Silesia. The legal provisions in force in the voivodes of Cracow, Leopold, Tarnopol, Stanislawow and the former Austrian districts of the voivode of Silesia do not make provision for wage groups, but fix for insurance purposes maximum and minimum basic wages.

3. Distribution of the members among wage groups (continued).

Region	Insurance Institution	Wages (in zlotys)	No. of insured persons	
			Men	Women
Voivode of Silesia (former Prussian districts)	Service for the insurance of non-manual workers in private employment of the Krolewska Huta Institution.	Not exceeding 720	1614	1286
		720 - 1080	878	987
		1080 - 1440	929	923
		1440 - 1920	1456	1141
		1920 - 2520	2405	793
		2520 - 3120	3014	305
		3120 - 3720	2981	87
		3720 - 5040	4542	60
	5040 - 8400	2206	13	
Voivodes of Cracow, Leopold, Tarnopol, Stanislawow and the voivode of Silesia (former Austrian districts)	Leopol Insurance Institution for non-manual workers in private employment	Not exceeding 1200	2970	2253
		1200 - 1500	4255	2000
		1500 - 1800	1447	876
		1800 - 2200	1632	708
		2200 - 2600	1463	495
		2600 - 3000	1348	271
		3000 - 3500	1180	175
		3500 - 4000	1123	117
		4000 - 4500	722	56
		4500 - 4900	547	41
	Above 4900	2014	57	

4. Number of pensions in course of payment in 1924.

Region	Insurance Institution	No. of pensions			
		Inva- lidity	Old age	Wid- ows	Orph- ans
Voivodes of Poznan and Pomorze	Service for the insurance of non-manual workers in private employment of the Poznan Insurance Institution.	126	29	96	49
Voivode of Silesia (former Prussian districts)	Service for the insurance of non-manual workers in private employment of the Krolewska Huta Institution	46	49	250	416
Voivodes of Cracow, Leopold, Tarnopol, Stanislawow and the voivode of Silesia (former Austrian districts)	Leopol Insurance Institution for non-manual workers in private employment	167	36	552	47

The number of pensions actually in payment is relatively small owing to the waiting period required by the respective legal provisions (five years in former Austrian territory and ten in former Prussian) and at the same time the short time the Acts have been in operation (since 1909 in former Austrian territory and since 1913 in former Prussian territory).

5. Monthly benefit expenditure at the end of 1924 (in zlotys).

Region	Insurance Institution	Total expenditure			
		Invalidity	Old age	Widows	Orphans
Voivodes of Poznan and Pomorze	Service for the insurance of non-manual workers in private employment of the Poznan Insurance Institution	659.20	4,065.20	1,323.10	544.80
Voivode of Silesia (former Prussian districts)	Service for the insurance of non-manual workers in private employment of the Krolewska Huta Institution	2,819.71	2,948.69	4,237.08	3,722.28
Voivodes of Cracow, Leopold, Tarnopol, Stanislawow and the voivode of Silesia (former Austrian districts)	Leopol Insurance Institution for non-manual workers in private employment	9,279.60	2,152.60	18,187.50	1,258.40
Total		12,758.51	9,166.49	23,747.68	5,525.48

6. Total expenditure of the insurance institutions in 1924 on benefits and management (in zlotys).

Region	Insurance Institution	Total expenditure		
		Cash benefits	Treatment	Cost of management
Voivodes of Poznan and Pomorze	Service for the insurance of non-manual workers in private employment of the Poznan Insurance Institution	74,171.48	16,278.67	70,607.21
Voivode of Silesia (former Prussian districts)	Service for the insurance of non-manual workers in private employment of the Krolewska Huta Institution	125,116.80	19,271.51	75,972.27
Voivodes of Cracow, Leopold, Tarnopol, Stanislawow, and the voivode of Silesia (former Austrian districts)	Leopold Insurance Institution for non-manual workers in private employment	321,259.77	—	325,033.47
Total		520,548.05	35,550.18	471,612.95

7. Monthly total of contributions at end of 1924 and general total for 1924 (in zlotys).

Region	Insurance Institution	Total contributions	
		Monthly: end of 1924	1924
Voivodes of Poznan and Pomorze	Service for the insurance of non-manual workers in private employment of the Poznan Insurance Institution	365,149	2,253,936.99
Voivode of Silesia (former Prussian districts)	Service for the insurance of non-manual workers in private employment of the Krolewska Huta Institution	367,099	3,183,023.45
Voivodes of Cracow, Leopold, Tarnopol, Stanislawow and the voivode of Silesia (former Austrian districts)	Leopold Insurance Institution for non-manual workers in private employment	594,185	6,312,915.71
Total . . .		1,326,433	11,749,876.15

Supplementary insurance provided by trade associations.

Beside the general insurance institutions, the railwaymen in the former Prussian districts and the miners in the former Prussian and Austrian districts have special institutions granting supplementary benefits, such as Section B of the Railwaymen's Retirement Fund and the miners' associations or miners' funds (*Knappschaftvereine-Bruderladen*). The first exists in virtue of the railway regulations, the second in virtue of the old Austrian and German Acts.

The principal institutions of this kind are:

A. Section B of the Railwaymen's Retirement Fund.

Number of insured persons:

In the voivodes of Poznan and Pomorze ÷ . . .	26,632
In the voivode of Silesia (former Prussian districts)	12,907

1. Number and monthly total amount of pensions at end of 1924.

Region	Nature of pensions	Number of pensions	Monthly figure (in zlotys)
Voivodes of Poznan and Pomorze	invalidity	888	43,001.30
	widows'	1,207	30,511.75
	orphans'	1,328	16,085.15
Voivode of Silesia (former Prussian districts)	invalidity	396	19,087.45
	widows'	603	15,529.35
	orphans'	764	7,053.60

2. Number and monthly total amount of pensions granted in 1924.

Region	Nature of pensions	Number of pensions	Monthly figure (in zlotys)
Voivodes of Poznan and Pomorze	invalidity	294	18,550.25
	widows'	96	2,386.00
	orphans'	119	1,751.00
Voivode of Silesia (former Prussian districts)	invalidity	159	8,933.80
	widows'	35	1,242.85
	orphans'	71	921.90

3. Benefit and treatment expenditure and receipts in 1924.

Region	Benefit and treatment expenditure	Contributions (in zlotys)
Voivodes of Poznan and Pomorze	957,978.40	1,782,578.71
Voivode of Silesia (former Prussian districts)	3,562.18	631,593.64

B. Tarnowskie Gory Friendly Society.

Number of employers registered 33

Number of insured persons at end of 1924:

men 92,096

women 5,611.

Number of insured persons at end of 1923:

men 128,772

women 10,338

Number and total of pensions at end of 1924.

Nature of pensions	Number	Monthly figure (in zlotys)
Invalidity	15,700	604,745.47
Widows'	14,721	263,042.76
Orphans'	15,419	92,760.94

Expenditure in 1924.

Cash benefits	5,719,909.03	zlotys
Treatment	130,803.88	„
Management	618,820.16	„

Receipts from contributions.

End of 1924 (monthly)	1,520,096.71	zlotys
1924	14,036,779.02	„

Therapeutic establishments of the supplementary insurance institutions.

(These establishments are primarily for the use of the sickness insurance service of the society and secondarily for other insurance institutions.)

12 hospitals, with in all	3,801	beds
1 tuberculosis sanatorium at Wodzislaw.	250	„
1 eye hospital	154	„
1 ear "	107	„
1 women's "	100	„
1 venereal disease section attached to the Rydultowe Hospital.		
1 medico-mechanic institute attached to the Krolewska Huta Hospital.		

Special eye and ear sections in the Rybnik Hospital.

Central dental laboratory attached to the Krolewska Huta Hospital.

Dental stations at Rybnik, Katowitz, Siemianowice, Rydultowe, Bielszowice, Tarnowskie Gory.

Convalescent home at Jastrzebie-Zdroj (105 beds).

The Polish Act of 19 May 1920 respecting
sickness insurance.

The Act of 19 May 1920 respecting compulsory sickness insurance is of special importance to Poland, since, as mentioned above, it is the first Polish legislative measure to be passed superseding throughout Poland, with the exception of Upper Silesia, the various foreign legal provisions in force up to that date.

The chief principles, to give effect to which an attempt is made in this Act, are the generalisation of insurance, the system of legal affiliation, the system of territorial insurance institutions and the complete autonomy of such institutions.

Below is given a summary of the chief provisions of the Act.

1. Insurance institutions.

The Act of 19 May 1920 provides for the constitution of territorial sickness funds, each covering as a general rule an administrative district. Special funds may be set up in towns with a population of over 50,000. Each territorial fund includes in its membership all persons liable to compulsory insurance, whose employment lies within the geographical limits of the region. The only exception existing relates to railwaymen in State employment, for whom the constitution of special funds is permitted (§ 1).

2. The scope of the Act.

(a) *Compulsorily insured persons.*

All persons, without distinction of sex, working under a contract of employment must be insured, without regard to their occupation, the undertaking in which they are employed or the extent of their remuneration (§ 3). Further the compulsory insurance covers apprentices and improvers even though not in receipt of wages, home-workers and temporary workers.

The following classes of employees are alone excepted:

- (a) State officials nominated to appointments are not liable;
- (b) Persons who act as the immediate representatives of the owners of industrial or commercial undertakings (managing

directors and directors) and whose salary exceeds 7,500 zlotys a year are entitled to claim exemption.

Compulsorily insured persons are considered members of the appropriate fund from the day on which they enter upon any work entailing membership thereof (§ 10) and from that date are entitled to benefits, unless they are home-workers or temporary workers, in which case their rights do not come into operation until after from four to six weeks' membership of the fund (§ 35). The appropriate fund is that of the district in which the worker is employed (§ 5).

(b) *Voluntarily insured persons.*

Any person may become a voluntary member of the fund provided that he is not above the age of 45 years, that he is resident in the district of the fund, that he has produced a satisfactory health certificate and that his annual income does not exceed 7500 zlotys (§ 8). Members of a fund who cease to be liable to compulsory insurance are entitled to continue insurance as voluntary members without fulfilling any of the above conditions (§ 13). Voluntarily insured persons are treated as members of the fund on and after the day on which a notice is forwarded intimating their registration on the list of insured persons (§ 11) and are entitled to benefits from four to six weeks after affiliation.

3. Basic Wage.

Cash benefits and contributions are computed in accordance with the "basic wage" of the workers, the members being divided into fourteen groups of wage-earners according to their actual wages. The first class consists of wage-earners in receipt of less than 1 zloty a day and the fourteenth and last of wage-earners in receipt of more than 12.50 zlotys a day (§§ 19 and 20). Apprentices and improvers who receive no wages are classified in group 1 and voluntarily insured persons according to their actual income.

4. Compulsory benefits.

The fund grants its members and their families pecuniary assistance in case of sickness and confinement and also funeral expenses in case of death.

Sick benefits.

The sick benefits consist of

(a) free medical attendance, the supply of medicines and

of such prosthetic and orthopaedic apparatus as are required to maintain or restore earning capacity (the fund may only contribute up to a certain maximum towards the cost of such apparatus) up to twenty-six weeks, or, should the fund have been in existence for more than three years, up to thirty-nine weeks. The attendance is effected through qualified medical and dental officers and only by the order and under the direction of these officers may supplementary treatment be given by the subordinate medical or dental staff (§ 42). The rules of the fund may provide for the extension of medical attendance to a maximum of fifty-two weeks.

(b) Pecuniary assistance in case of incapacity for work, up to a period of twenty-six or thirty-nine weeks from the third day of sickness and inclusive of Sundays and holidays (§ 23). The cash benefits are 60% of the basic wage (§ 23b), but the rules of the fund may provide for increases, in the case of members having more than two children dependent upon them, of 5% for each such child up to a limit of 75% of the basic wage (§ 26 b).

Pecuniary assistance is not granted to improvers and apprentices who are not in receipt of wages (§ 23).

Members undergoing hospital treatment receive 50% of the normal allowance if supporting members of their family and 10 % in other cases (§ 29) .

Maternity benefits.

In cases of confinement the members are entitled to:

- (a) The services of a medical practitioner and a midwife;
- (b) Pecuniary assistance, equal to the basic wage, for a period of eight weeks at least six of which must be after confinement;
- (c) Assistance in kind or in money for nursing mothers of from .20 to .50 zlotys a day during a period of twelve weeks from the time of expiration of the benefits under (b) above.

With the consent of the patient, for the above benefits may be substituted hospital treatment or home treatment with the attendance of a nurse, in such cases the pecuniary assistance being reduced by 50%.

Funeral expenses.

In case of death the fund grants for the funeral expenses of insured persons assistance equivalent to twenty-one times the amount of the basic wage (§ 32).

Benefits granted to the families of insured persons.

The members of the family of an insured person who live in the same household and are entirely dependent on his wages (husband or wife, relations in the ascending or descending line, brothers and sisters and foster children) are entitled to the following benefits:

(a) Medical attendance or hospital treatment as granted to members but for thirteen weeks only;

(b) Maternity assistance without pecuniary benefits;

(c) Nursing mothers' benefits equivalent to 50% of the benefits paid to insured persons;

(d) Funeral grants equivalent to 50% of the grants paid in respect of insured persons (§ 33).

Benefits paid to ex-members.

Former members of the fund who in consequence of unemployment are unable to pay their contributions are entitled to medical assistance for twenty-six weeks for themselves and for thirteen weeks for members of their families, provided that the sickness occurs within thirteen weeks of their leaving the employment subjecting them to compulsory insurance. If they have been members of the fund for a period fixed in the Act they are entitled to full benefits, provided that the sickness occurs within four weeks of their leaving such employment (§ 36).

5. Supplementary benefits.

In addition to the compulsory benefits enumerated above sickness funds with sufficient reserves may grant the following supplementary benefits to their members: extension of the duration of sick benefits, increase of monetary benefits, free supply to sick persons of food and orthopaedic and prosthetic appliances of above the maximum cost, provision for convalescents, etc. (§ 34).

6. Contributions.

The amount of contribution must be fixed so as to cover the benefits provided for in the rules of the fund. At the date of the establishment of the fund the amount of contributions is fixed at $6\frac{1}{2}$ per cent. of the basic wage (§ 46).

Persons compulsorily insured pay two-fifths of the contributions due in respect of them and their employers the remaining three-fifths. The whole amount of the contributions in respect of apprentices and improvers who receive no wages or who are paid only in kind is charged to their employers.

Voluntary members pay the whole of their contributions out of their own means. Arrears of contributions and other sums due to the funds are collected in the same manner as the local taxes (§ 53). Employers who fail to register and entering their employment persons liable to insurance within the prescribed period may be required to pay as much as five times the arrears of contributions (§ 16).

7. State participation.

The State repays to the sickness funds;

(a) One half of the pecuniary benefits granted to lying-in women and nursing mothers;

(b) The whole of the cost of medical assistance granted to the unemployed or their families (§ 48).

8. Organisation of the sickness funds.

The authorities of the sickness funds are the board of governors, the managing committee, the supervisory committee and the board of arbitration (§ 61).

The board of governors is the supreme executive and supervisory authority. It is composed of representatives elected for a term of three years, two-thirds by the insured persons and one-third by the employers, by direct ballot in accordance with the principles of proportional representation. Employers and insured persons who have attained the age of twenty years are entitled to vote. Candidates must be Polish citizens and, in the case of the election of the representatives of the insured workers, must be insured themselves.

The managing committee is the general executive and administrative body. It is composed of from six to nine members elected by the board of governors in the same proportion as regards the representation of employers and insured persons as the board of governors itself. One-third of its members retire annually in order of seniority and are replaced by new members. The managing committee is primarily responsible for all decisions respecting the obligation to insure, the payment of contributions, the division of contributions between the employer and the insured person and the fines inflicted on employers and insured persons (§ 76).

The supervisory committee is elected for a period of one year by the board of governors and is composed of representatives of insured persons and of employers in the same proportions as the other authorities of the fund (§ 80).

The board of arbitration is composed of five members, two elected by the representatives of the insured persons, two by the representatives of the employers and one by the board of governors as a whole. The board decides disputes in connection with benefits and fines charged to members of the fund for breaches of the regulations or malingering. The decisions of the board are final.

9. Settlement of disputes with medical practitioners.

In the area of each fund special committees are established to settle any disputes that may arise between the fund and the medical practitioners. These committees consist of representatives of the managing committee and of the doctors under a neutral chairman nominated by both parties (§ 85).

10. Financial provisions.

The sick funds are required to invest their capital, keep their accounts and draw up their annual reports in accordance with the regulations issued by the competent authorities (§ 87). It is only permissible to use the receipts of the funds to meet expenses directly resulting from the purposes of the fund or from payments to the Union of Sickness Funds for general health and preventive purposes (§ 88). To meet exceptional circumstances (epidemics, unemployment, war) each fund is required to form a reserve fund equivalent to its average annual expenditure and to allocate for this purpose 10 per cent of its annual revenue.

11. Unions of Sickness Funds.

So as to permit the fulfilment of such of their common duties as exceed the individual capacity of the separate funds, the sickness funds in each territory form regional unions of sickness funds, which in their turn combine in one general union of funds. These unions are bodies corporate and their functions consist of the supervision of the activities and management of individual funds, the computation of statistics, the conclusion of collective agreements with medical practitioners, professional organisations of medical practitioners, pharmaceutical establishments, hospitals, sanatoria, etc., the founding and management of hospitals, pharmaceutical establishments etc., the organisation of mutual aid for the individual funds, the initiation and encouragement of joint action on the part of the funds in connection with public health and hygiene, etc.

12. State supervision.

The supervision by the State of the administration of all sickness insurance institutions is effected by the Minister of Labour and Social Welfare through the intermediary of the central and regional Insurance Offices and, with regard to medical matters, by the Minister of the Interior (General Directorate of the Public Health Service) who nominates representatives to the staff of each insurance office.

COMPARATIVE TABLE
of Polish sickness insurance provisions and the provisions formerly in force in certain
of the Polish territories.

POLISH ACT OF 19 MAY 1920 RESPECTING COMPULSORY SICKNESS INSURANCE	GERMAN INSURANCE CODE OF 19 JULY 1911	AUSTRIAN ACT OF 30 MARCH 1888 AS AMENDED BY THE ACTS OF 4 APRIL 1889 AND 20 NOVEMBER 1917
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INSURANCE INSTITUTIONS

Territorial funds (district and municipal). Exception: railwaymen's trade funds.	Local funds (territorial). Special „ Rural „ Establishment funds Guild „ Miners' „	District funds. Establishment funds. Building „ Association „ Guild „ Miners' „
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PERSONS COVERED BY COMPULSORY INSURANCE

All persons working under a contract of employment without regard to the amount of remuneration, nature of occupation or undertaking in which employed. Apprentices and improvers. Home workers. Temporary workers.	Industrial workers. Non-manual workers and seamen whose wages do not exceed 2,400 marks. Agricultural workers. Domestic servants. Temporary workers. Home workers. Apprentices and improvers.	All workers and technical experts employed in the undertakings enumerated in the Act.
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EXCEPTIONS FROM COMPULSORY INSURANCE

State officials appointed by nomination.	State officials. Communal and insurance institution officials. Workers in State and communal undertakings. State teachers if provided equivalent benefits.	State officials. Persons employed in undertakings other than those enumerated in the Act. Agricultural and forestry workers. Seamen.
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VOLUNTARY EXCEPTIONS

Persons who act as the immediate representatives of proprietors of industrial undertakings if their annual salary exceeds 7500 zlotys.	Public officials (other than the above) and subject to certain conditions officials of private associations. Workers on State lands. Private school teachers. Agricultural workers.	Persons who in case of sickness receive from the employer maintenance and medical attendance for at least 26 weeks. Persons who in case of sickness continue in receipt of wages for at least 26 weeks.
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COMPULSORY BENEFITS

<p>(a) Sickness. Maximum duration of benefits — 26 weeks, or, if the fund has been in existence for more than 3 years, 39 weeks. Payment of benefits — from the 3rd day of sickness and for each day's working incapacity, including Sundays and holidays. Amount of benefits — 60% of the basic wage.</p> <p>(b) Maternity. Free medical attendance. Amount of benefits — 100% of basic wage. Duration of benefits — 8 weeks, 6 after childbirth.</p> <p>(c) Death. Funeral allowance — 21 times the basic wage.</p> <p>(d) Members of family of insured. Sickness, maternity and death benefits.</p> <p>(e) Ex-members. Unemployed — medical attendance if sickness occurs within 13 weeks from cessation of employment involving insurance. Full benefits — paid to ex-members who have been members for a fixed minimum period, if sickness occurs within 4 weeks from cessation of employment involving insurance.</p>	<p>(a) Sickness. Maximum duration of benefits — 26 weeks. Payment of benefits — from the 3rd day of sickness and for each day's working incapacity, excluding Sundays and holidays. Amount of benefits — 50 % of the basic wage.</p> <p>(b) Maternity. No free medical attendance. Amount of benefits — 50% of basic wage. Duration of benefits — 8 weeks.</p> <p>(c) Death. Funeral allowance — 20 times the basic wage.</p> <p>(d) Members of family of insured. No compulsory payments — the rules of the fund may make provision for benefits.</p> <p>(e) Ex-members. Unemployed — not covered. Full benefits — paid to ex-members who have been members for a fixed minimum period, if sickness occurs within 3 weeks from cessation of employment involving insurance.</p>	<p>(a) Sickness. Maximum duration of benefits — 26 weeks. Payment of benefits — from the 3rd day of sickness and for each day's working incapacity, including Sundays and holidays. Amount of benefits — from 0.60 to 5 crowns a days according to the category of worker.</p> <p>(b) Maternity. No free medical attendance. Amount of benefits — as for sickness. Duration of benefits — 6 weeks after childbirth.</p> <p>(c) Death. Funeral allowance — 30 times the average daily wage (minimum 60 crowns).</p> <p>(d) Members of family of insured. No compulsory payments — the rules of the fund may make provision for benefits.</p> <p>(e) Ex-members. Unemployed — not covered. Full benefits — not granted.</p>
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OPTIONAL SUPPLEMENTARY BENEFITS

Prolongation of period of benefits, increase of benefits, raising of age limit for voluntary insurance, assistance for convalescents, etc.	No provision made.	Assistance for convalescents, measures against tuberculosis alcoholism, etc. (special fund).
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CONTRIBUTIONS

Amount of contribution — 6½% of basic wage (at date of foundation of fund). Quota of insured — 2/5. Quota of employer — 3/5.	Amount of contribution — 4½% of basic wage (at date of foundation of fund). Quota of insured — 2/3. Quota of employer — 1/3.	Amount of contribution — approximately 4½% (the maximum weekly contribution may not exceed 4/20ths of the average daily wage of the wage-group in question). The amount of the insured person's contribution may be made dependent on the sex, undertaking or occupation. Quota of insured — 2/3. Quota of employers — 1/3.
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COMPOSITION OF FUND ORGANS

Representatives of insured — 2/3. Representatives of employers — 1/3.	Representatives of insured — 2/3. Representatives of employers — 1/3.	Representatives of insured — 2/3. Representatives of employers — 1/3.
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STATE SUPERVISORY AUTHORITIES

Ministry of Labour and Social Welfare acting through the regional insurance offices and the General Insurance Office.	Insurance Offices and Superior Insurance Offices.	Public administrative bodies and the Ministry of the Interior.
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**Present organisation and situation
of sickness insurance institutions.**

Organisation of the sickness funds.

Above has been given a sketch of the legislative provisions respecting sickness insurance in force at the time of the resurrection of the State of Poland and also of the principal modifications resulting from the Polish Act of 19 May 1920.

On the adoption of this Act by the Legislative Diet the Ministry of Labour and Social Welfare proceeded to secure its application by first promulgating the necessary administrative instructions and then beginning the organisation of the sickness funds. The time limit within which it was provided that the Act should be applied throughout the whole of Poland was fixed at three years and was later prolonged for a further period of three years, so that the organisation of the sickness funds will be completed in 1926.

The Ministry of Labour and Social Welfare in carrying through its work of organisation was compelled to take into account the economic and social condition of Poland at the time of the entry into force of the Act of 19 May 1920 as well as the technical, financial and moral difficulties, which were the inevitable corollary of a social reform of such importance.

By that time the European war was, it is true, ended, but Poland was still at war with Russia and the question of the Eastern frontiers was still unsettled and subject to plebiscite. This situation was bound to react seriously on the economic and social position of a country that had taken part in the European war, had been the field of military operations and under foreign occupation.

It was the former Prussian territory that was most favourably situated, since, as it had never suffered directly from the military operations, its economic machinery was comparatively undamaged. Moreover, as these lands were almost entirely agricultural the reconstruction of such undertakings as were ruined was easier and less expensive than in industrial districts.

After the departure of the German authorities it was possible to set the administrative organisation, including that of social insurance, in working order without serious difficulty.

The position in the former Austrian and Russian regions was much less satisfactory.

From the outbreak of war the former Austrian territory was the field of military operations and each army treated the province as enemy country. The mobilisation dealt a first blow at the funds by disorganising their administrative machinery. Then the war, followed by the forced evacuation of the insurance institutions and the transfer of their funds to Austria, completed the almost absolute ruin of their material and moral prosperity, painfully built up during thirty years' existence. As a result of these circumstances, the sickness funds ceased in reality to exist, while in cases where, owing to the energy of the managing committees they continued to perform their functions in some way or other, the Austrian Government, the central administrative machinery of which was becoming increasingly disorganised, did nothing to assist them. Finally the commandeering of buildings belonging to the funds made entirely impossible the continuation of the work.

After four years of war there remained in the old province of Galicia merely a few territorial funds, the employers' and occupational funds being completely ruined and it was thus that in taking over the old funds the territorial funds established in virtue of the Act of 19 May 1920 gained nothing but theoretical advantages.

In very exceptional cases where they came into possession of a hospital or sanatorium (as in the case of the Leopold Sickness Fund) considerable sums had to be expended to restore such buildings before they were of any use to the insured persons.

Still more disastrous was the position in the former Russian territory. The Russian military authorities in retiring from the province in 1915 ordered the forced evacuation of all industrial and agricultural undertakings. Only of course a small proportion of the population left the country and the remainder, without work or means of livelihood, were left in a state of physical and moral decay. On the breaking up by the German authorities of such factory plant, especially in the textile industry, as had escaped total destruction, unemployment became still more extensive. The rationing of provisions, the requisitions enforced by the German authorities, the uncertainty of the political

situation, all contributed on the one hand to the economic ruin of the country and on the other to the disastrous state of public health. According to the statistics of the Warsaw Health Association cases of death from tuberculosis rose from 21.41 per 10,000 in 1914 to 96.76 in 1917 and cases of death from heart complaints from 14 to 30 per 10,000. Births decreased to a third of their former figure and mortality doubled so as to bring about a state of affairs almost unknown since the Middle Ages. In these circumstances the introduction of the Act respecting compulsory sickness insurance became in a way a State necessity.

The former Prussian and Austrian territories possessed different types of sickness funds. It was therefore incumbent on the Ministry of Labour and Social Welfare to amalgamate in single territorial funds the different funds in operation within the limits of one district. This task, in spite of the special difficulties mentioned above, was completed in these two territories in the relatively short period of less than a year, i.e. early in 1921.

The work involved by the application of the Sickness Insurance Act in the former Russian provinces was of an entirely different character.

The Russian Act of 1912 had never been applied. It was therefore necessary to break new ground and set up entirely new institutions amidst almost insurmountable difficulties.

In the other States sickness funds had progressed with the economic development of the country. In the former Russian districts the most highly industrialised regions were entirely without such funds. In this portion of Poland were concentrated 80 per cent. of the workers employed in the textile industry, 60 per cent. of the workers employed in the metallurgical industries and about 25 per cent. of the workers employed in coal mines without considering the large numbers employed in other branches of industry. The whole of the inhabitants of the large towns, such as Warsaw with a population of a million and Lodz with a population of half a million, and of the other industrial centres were entirely without a system of sickness relief based on the principles of social insurance.

The work of organisation was planned so as to establish sickness funds first in the chief industrial districts (Warsaw, Lodz, the mine fields of Dalbrowa) and only after that in other districts where industrial workers were less numerous.

At the very outset the execution of the plan met with diffi-

culties resulting from the general condition of the country. In Poland, as elsewhere, the war had led to an acute housing crisis and one of the first problems was how to find premises for offices, consulting rooms, dispensaries etc., which problem was complicated by the fact that the rapid development of the funds involved continual further housing demands. In these circumstances the funds were often obliged to purchase buildings and adapt them to their purpose, which inevitably involved considerable expense. A scarcely smaller difficulty was the lack of staff with sufficient training in matters relating to social insurance, which necessitated the organisation of special courses for members of the committees and staff of the sickness funds.

Another consequence of the war and economic devastation of the country was the scarcity and dearness of certain articles essential for the organisation of the funds' medical relief system, such as medicines, surgical instruments, bandages, etc., increasing the difficulty and cost of equipping the surgeries, dispensaries, hospitals, etc. with the appliances and installation necessary to meet the needs of modern medicine. Moreover, the insured persons, rightly estimating the importance of the medical relief granted by the funds, required from the beginning that this should be on an extremely high level.

The following was the position, as regards the organisation of sickness funds in Poland, at the beginning of 1925.

Region	Voivode	Number of Funds	
		Organised	In course of organisation
Former Prussian territory	Voivode of Poznan	38	—
	Voivode of Pomorze	20	—
Former Austrian territory	Voivode of Cracow	18	—
	„ „ Leopold	25	—
	„ „ Tarnopol	13	—
	„ „ Stanislawow	13	—
	„ „ Silesia (former Austrian districts)	2	—
Former Russian territory	City of Warsaw	1	—
	Voivode of Warsaw	10	5
	„ „ Lodz	12	—
	„ „ Kielce	11	4
	„ „ Lublin	3	3
	„ „ Bialystock	5	4
	„ „ Vilna	2	—
	„ „ Polesia	1	2
„ „ Volhynia	6	—	
Voivode of Silesia (former Prussian districts)		49	—
	Total . . .	229	18

Of the above funds only those in the former Prussian districts of the voivode of Silesia do not fall under the general system established by the Polish Act of 19 May 1920. The legislative provisions covering them are contained in the old German law (German Insurance Code of 1911), as amended by the autonomous Silesian Diet, for it is this body which in virtue of the Constitution of 15 July 1920 is responsible for social insurance in Silesia until such time as an all-embracing social insurance system has been extended to all parts of the Republic. In this region accordingly the funds are not of the single territorial kind laid down in the Polish Act but are various in nature as the following table shows;

Local general funds	15
Municipal funds.	2
Trade funds	1
Establishment funds.	29
Miners' funds.	2
	<hr/>
Total	49
	<hr/>

For this reason these funds are not included in the statistical information given on this and the following pages; this information being confined solely to the territorial funds organised under the Act of 19 May 1920.

The total number of persons compulsorily insured in the whole of Poland on 1 January 1925 was 1,883,905, the total number of members of the insured persons' families covered was 2,289,095, which makes a grand total of 4,173,000 persons entitled to sickness insurance benefits. The population of Poland being 27,192,674, 15.5 per cent of the population were insured against sickness. Taking account of the fact that in certain parts of Poland, especially in the Eastern voivodes, the funds are not yet organised, the percentage of persons covered in relation to the total population may be put at 18. The map given at the end of this report shows the state of organisation of sickness funds in Poland and the percentage of persons covered in the different districts.

The total of 1,883,905 members includes 1,301,186 men and 582,819 women. The high proportion of women members (in pre-war Austria the proportion was 78 men to 22 women

whereas in Poland it is now 69 men to 31 women) is explained by the general post-war increase in women's employment and the development of the textile industry, in which much female labour is usually employed.

Development of the sickness funds.

Although the time limit for the completion of the organisation of sickness funds in the whole of Poland has not yet expired, it is nevertheless possible to judge from the experience of the last few years whether the territorial funds are capable of performing the important task incumbent upon them and to what degree they fulfil the purpose of the Act of 19 May 1920.

Both from the theoretical and from the practical standpoint, it will not be without value to compare the results of the Polish Act respecting sickness insurance and those of the other Acts in force before the war in certain territories that have now become Polish.

The old Acts were based on different principles and therefore gave different results.

The question is which of the Acts gave results most in accordance with the general objects of sickness insurance.

Statistics show that on 1 January 1925 the following was the distribution of membership among the 161 sickness funds (out of a total of 180) of which the Ministry of Labour and Social Welfare had complete figures ¹.

Under 2,000 members.	31 funds
2,000— 5,000 "	45 "
5,000— 10,000 "	58 "
10,000— 30,000 "	21 "
30,000— 50,000 "	2 "
50,000—100,000 "	2 "
Above 100,000 "	2 "
	<hr/>
Total	161 funds

¹ The 19 sickness funds, the organisation of which was only completed towards the end of 1924, were naturally unable to furnish sufficient figures for purposes of comparison.

Experience has proved that the funds with a membership of less than 2,000 persons are unable to organise by their own individual efforts the medical relief necessary to meet the intentions of the Act of 19 May 1920 (See under "Future Programme") However these funds only form 19.8 per cent. of the grand total.

The following figures show clearly the favourable results obtained in comparison with the pre-war situation.

On 1 January 1912 in the old province of Galicia (former Austrian territory) there were 189 sickness funds of various kinds with a total membership of 185,253 persons; the average membership of each fund thus being nearly 980.

In the same region there are now 71 territorial funds with a total membership of 432,444 persons and an average of 6,091 for each fund, this large increase in membership being due to the extension of insurance to new classes of wage-earners hitherto excluded. In addition 504,396 persons were on 1 January 1925 entitled to sickness benefits as members of the families of insured persons.

As far as concerns the number of insured persons, the development of sickness insurance appears in an even more favourable light in the former Russian territory. On 1 January 1925 the 32 sickness funds in these lands included 615,980 members, an average of 19,561 members for each fund. There were also 737,294 persons entitled to benefits as members of the families of the insured persons. These high figures are due to the fact that certain parts of this territory constitute the most industrialised portion of the Polish Republic, among the funds being two with a membership of over 100,000 and one with a membership of over 50,000. In this connection it may be noted that although the establishment in this territory of other funds in less industrial districts and composed of a fewer number of members will lead to a lowering in the average membership, on the other hand the bringing of agricultural workers under the scope of compulsory insurance (temporarily adjourned in the former Russian territory but soon to be effected) will have a contrary result, so that the average membership will probably not be greatly changed.

The situation is similar in the former Prussian territory. On 1 January 1913 the number of insured persons was approximately 250,000 (the number of sickness funds at this date is not clearly established), whereas on 1 January 1925 there were 58 funds in this circumscription with a total membership of 677,287 and an average membership of 11,677.

The average membership of the individual funds in the whole of Poland (excepting Upper Silesia) is 11,267.

The above figures demonstrate that one of the principal purposes of the Act of 19 May 1920, the establishment on a solid basis of societies capable of playing an important part in the sphere of public health, has been almost completely attained.

The results of their work are analysed below in the section relating to the organisation of medical assistance.

It should further be noted that, although the Act of 19 May 1920 constituted a new step in advance in the development of sickness insurance throughout the country, it was of chief importance to the wage-earners in the former Russian territory, to whom it was a social reform of considerable importance bringing with it benefits entirely lacking before. Sickness insurance did not exist and only in the largest undertakings employing large bodies of workers was medical aid granted to the workers at the cost of the employer and such assistance was notably less than that now given by the insurance funds.

The following figures relating to the three largest factories in Lodz, each of which has more than 5,000 workers in its employment, may serve to illustrate the difference between the former and present situation in the case of undertakings where medical assistance was most highly organised.

In factory A, medical assistance for the workers was provided through the agency of three medical practitioners who devoted eighteen hours a week in all to consultations. In the dispensary organised by the Lodz Sickness Fund for the workers in the same factory seven medical practitioners and one dental surgeon are in attendance on the members for 174 hours in the week

In factory B, whereas before one medical practitioner gave twelve hours of his time, now five medical practitioners give fifty-four hours.

In factory C, two medical practitioners granting consultations before the war for eighteen hours in the week have been replaced by four medical practitioners giving fifty-four hours in the week.

Organisation of medical aid.

The medical assistance granted to members of the sickness funds is administered, in accordance with the provisions of the Act of 19 May 1920, exclusively by certified medical and

dental practitioners and is based as a rule on a system of "limited freedom of choice" i.e. the right to choose from among the doctors under contract with the sickness fund. It is only the sickness funds in the former Prussian territories that have for the most part retained the system, inherited from the old German funds, of unlimited freedom of choice, as a result of which the medical expenses of these funds are very considerable in comparison with those of the funds in the other Polish provinces.

No rigid system for the organisation of medical aid is laid down in the Act of 19 May 1920 and complete uniformity has not been possible owing to the diversity of local conditions. As a general rule, however, it is the system by which medical assistance is granted in dispensaries specially organised by the funds for this purpose that has been recognised as best suited to the purposes of the Act and this system is accordingly that followed wherever possible. Its chief advantages are that in the first place it permits a more strict supervision of the medical aid itself and in the second that by it the patient can be given on the spot any form of medical treatment required by his complaint through the most modern methods of diagnosis and treatment.

Medical practitioners under contract with a fund may be consulted by beneficiaries at stated times and at the funds' medical consulting rooms, where there are all the necessary appliances and installation and where everything is arranged in accordance with the requirements of modern hygiene. The practitioners are under no obligation to see a stated minimum number of persons by the hour and they are thus entirely free to devote to each patient whatever time they consider necessary. Statistics on this point show that the average number of patients received in the hour is from four to five. A further result is that the sickness funds, even the small funds with a membership of about 10,000, secure for their members the services of specialists and the general practitioner is only found now in the funds that are too small to organise a medical service to meet all calls upon it.

Such patients as are confined to their beds are visited at home by the medical officers of the fund. The circumscription of each fund is divided into several districts served by a certain number of regional medical officers. Their visits may be described as visits of diagnosis, for as soon as the doctor has decided-

that his patient is really ill and has given the first treatment, he may, if necessary, call in a specialist or send the patient to a general or special hospital. Stress need not be laid on the importance of this method from the point of view both of the patients and of the fund. During recent years a decline has been noted in Polish mortality figures, which in some districts are now below the pre-war level. To the sickness funds must certainly be ascribed a large part of the credit for this improvement in public health.

The total number of consultations granted to the members of sickness funds in the whole of Poland during 1924 was 11,157,570, an average of seven consultations a year for each member. An interesting fact is that the number of annual consultations differs in the various parts of Poland. In the districts where compulsory sickness insurance was in force before the war (former Austrian and Prussian territory) the average was four consultations a member, whereas in the former Russian territory the average was eleven a member.

This difference cannot be explained as a tendency on the part of a certain portion of the population to neglect their health. It is rather a result of the better hygienic conditions in these districts and perhaps partly too of the fact that the members, being used to the limited aid granted by the old funds, have not yet clearly comprehended how their rights have been extended and have not yet become accustomed to making use of them.

The general total of consultations is distributed in the following manner:

Dispensary consultations. . .	10,015,035
Domiciliary consultations. . .	1,044,934
Hospital consultations	97,601
	<hr/>
	11,157,570
	<hr/>

A comparison of the figures for the different regions shows that where medical assistance is given in the offices of the fund, there is one domiciliary visit for every ten consultations (without reckoning hospital treatment), whereas where this system has not yet been put into practice (former Prussian territory) there is one domiciliary visit for every six consultations (also without reckoning hospital treatment).

The table given below will give an idea of the quality of the medical aid provided by the principal sickness funds.

The members of smaller funds which are unable to organise by their own resources such complete medical relief, make use, at the cost of their funds, of the establishments and appliances of the large funds or of the regional unions of funds.

Summary of the establishments and special appliances owned by the chief Polish sickness funds.

Seat of Fund	Laboratories	Special curative Apparatus	Dental Surgeries	Hospital	Drug Stores
Warsaw	1 chemical-bacteriological laboratory.	3 Roentgen apparatuses, 3 Bach quartz lamps, 1 diathermic apparatus, 5 pelvimeters.	6 dental surgeries (dispensaries).	1 women's hospital (50 beds). 1 surgical hospital (30 beds)	7 ordinary drug stores.
Lodz	1 chemical-bacteriological laboratory. 1 chemical-pharmaceutical laboratory.	3 Roentgen apparatuses, 3 quartz lamps, 3 Sollux apparatuses.	1 dental hospital. 7 dental surgeries.		5 ordinary drug stores.
Zyrardow.	1 analytical laboratory.	2 Bach quartz lamps.	2 dental surgeries.		1 ordinary drug store.
Lubiin.	1 laboratory for diagnosis.	3 Bach lamps, 1 diathermic apparatus, light and electrical bath treatment apparatuses, apparatuses for faradisation, galvanisation and caustic treatment, 1 Sollux lamp.	2 dental surgeries.		1 ordinary drug store.
Vilna.	1 laboratory for diagnosis.	2 quartz lamps, 2 violet rays treatment apparatuses, 1 Radiolux apparatus, 1 hot air chamber, 1 Javal apparatus.	1 dental surgery (dispensary).		1 ordinary drug store.
Sosnowiec.	1 chemical-bacteriological laboratory.	1 Roentgen and psychiatry institute, 4 quartz lamps, 1 electrotherapeutic and emanotherapeutic chamber.	22 dental surgeries.	1 hospital (130 beds) 1 " (90 ") 1 " (50 ") 1 " (20 ") 1 " (50 ") 1 " (45 ") 1 " (60 ") 1 " (45 ") 1 lying-in hospital (15 beds).	12 ordinary drug stores and 22 attached to dispensaries.

Cracow.	I chemical-bacteriological laboratory.	2 Roentgen apparatuses, 3 quartz lamps, 1 Sollux lamp.	I dental surgery (dispensary).	I ordinary drug store.
Biala.	I laboratory for microscopic work.	I quartz lamp, apparatuses for electrical and massage treatment.		I ordinary drug store.
Drohobycz.	I laboratory for analytical and microscopic work.		2 dental surgeries (dispensaries).	I ordinary drug store.
Leopol.	I laboratory for microscopic work.	I Roentgen apparatus, 2 quartz lamps, apparatuses for electrical bath treatment.		
Bydgoszcz.		3 quartz lamps, 1 spectroscopical lamp, 2 apparatuses for vibratory massage, apparatuses for electrical bath treatment, 1 hydrophobic chamber, 2 Radiolux apparatuses, 1 Minim lamp, 1 Fün apparatus, 1 diathermic apparatus, 1 radio-therapeutic chamber.	I dental surgery (dispensary).	
Inowroclaw.		I Roentgen apparatus, 1 quartz lamp.		I hospital (35 beds).
Graudenz.	I laboratory for the women's surgical hospital.	I Roentgen apparatus.		I women's surgical hospital (35 beds).
Poznan.		I Roentgen apparatus, 1 quartz lamp, 1 diathermic apparatus, Light treatment apparatuses.		3 ordinary drug stores.

The financial situation of the sickness funds.

The organisation of the sickness funds on the basis of the Act of 19 May 1920 was executed in general economic circumstances which were bound to have a serious effect on their finances. The continual depreciation in the currency made it necessary to make frequent changes in the wage groups so as to bring the monetary benefits into at least partial accordance with the actual wages of the insured persons. The contributions collected by the funds at the end of each month were as a result of the depreciation insufficient to meet the expenses of the month that had elapsed, which expenses increased from day to day with the depreciation and the proportional rise in prices. At the same time the reserve funds, similarly depreciated, ceased to represent any real value whatever.

In spite of these difficulties, the sickness funds were able, by their own resources and without any outside assistance, not only to continue the payment of benefits without interruption but also, as described above, to organise and perfect their administrative and medical machinery.

The year 1924, the second half in particular, was the first period in which it was possible for the sickness insurance funds to work in almost normal conditions. The figures for that year, therefore, may to a certain extent be regarded as indicative of the development of the funds.

The main source of the sickness funds' receipts is formed by the contributions, based on a percentage fixed in the rules of the funds, of the wages received by the workers as classified in the Act. The figures for 1924 show a total of contributions amounting to 64,341,972.20 zlotys. More than 50 per cent of this sum, 34,400,000 zlotys, was expended by the funds on medical assistance, including the salaries of the medical staff, cost of medicine and hospital treatment, etc. The cash payments (sickness benefits, funeral grants, maternity benefits etc.) involved an expenditure of 14,700,000 zlotys. The cost of management amounted to 8,500,000 zlotys, which in view of such circumstances as the extremely difficult economic situation of certain

funds and the lack of a sufficiently trained staff may be regarded as moderate.

The installation expenses incurred by the funds in 1924 were 3,500,000 zlotys, the relative modesty of which sum is due to the economic crisis and the increase in current expenses necessitating the greatest prudence in undertaking anything not strictly necessary. The largest part of the installation expenses relates to the former Russian territory, which is easily explained by the fact that, as these funds had only recently been established, they found it more essential than elsewhere to extend and improve their installation.

Various expenses connected with the work of organisation amounted in 1924 to 950,000 zlotys, mainly incurred in the former Russian regions.

These figures must all be considered with some reserve, as, in so far as they relate to the first half of 1924, they are the result of the conversion into zlotys of expenses incurred or contributions collected in Polish marks. Nevertheless the first year of almost normal conditions for the administration of the sickness funds has permitted the conclusion to be drawn that, thanks to the firm financial foundations laid down for the funds by the Act of 19 May 1920, these institutions have passed successfully through the difficulties caused by depreciation and offer every ground for hope that they will progress normally in the future.

Some characteristics of the activities of the sickness funds.

The details given below of the work of the two most important sickness funds in Poland, those of the cities of Warsaw and Lodz, and of an average fund, that of Lublin, will give an idea of the important part played by sickness insurance in Poland. The first two funds, although almost equal in point of numbers, are, in consequence of the different character of the two cities, representative of two entirely different types. The city of Warsaw is an industrial centre with many kinds of industry, so that among the members of the city's fund there are many classes of wage-earners. The city of Lodz, on the other hand, is the centre of the textile industry and most of the workers employed there are engaged in this particular industry and form the majority of the members of this particular fund. The crisis

in the textile industry, which has existed since 1922 with varying acuteness, has not been without influence on the fund's development.

The Lublin fund may be regarded as typical of the average well-organised fund.

1. The sickness fund of the city of Warsaw, which was founded in August 1920, included:

In 1920. . .	56,949	insured persons and	97,230	members of their families
In Dec. 1921.	104,428	"	143,504	"
In Dec. 1922.	167,333	"	206,123	"
In 1924. . .	190,425	"	230,000	"

The population of Warsaw is 990,000. Thus at the present time more than 40% of the inhabitants are eligible for sickness insurance benefits.

In 1924 the total receipts from contributions was 14,783,139 zlotys.

In the same year the total expenditure on account of medical assistance was 6,842,048.45 zlotys.

The fund has 56 dispensaries, 32 of which exist in connection with various undertakings especially for the workers employed in those undertakings.

The following figures show the development of the medical service:

Year	Number of medical officers of the fund	Number of consultations	
		On the premises of the fund	At the patient's home
1922	213	1,150,422	65,173
1923	307	1,594,194	110,514
1924	391	1,858,795	176,137

The number of persons admitted into hospital or into maternity homes was as follows:

1920	834
1921	7,030
1922	10,507
1924	16,753

Radiotherapeutic or electric treatment of various kinds was administered in the following instances:

1922	9,794
1923	17,063
1924	43,075

The fund has seven drug stores which in December 1924 supplied to insured persons 206,323 medicines and in January 1925, 240,170. The cost of these supplies, according to the legal price list, was equivalent in December to 69,832 zlotys and in January 84,049 zlotys.

2. The sickness fund of the city of Lodz included:

On 1 May 1923	54,848	insured persons and	77,802	members of their families
On 31 Dec. 1923	172,769	" " "	190,046	" " "
On 1 May 1924	176,036	" " "	193,640	" " "
On 31 Dec. 1924	143,503	" " "	157,853 ¹	" " "

The total number of beneficiaries is thus 301,356.

The total receipts from contributions in 1924 was 9,954,991.48 zlotys,² and the expenditure on account of medical assistance 7,205,823.39 zloty.³

The fund has 56 dispensaries, 44 of which are attached to various factories.

The following figures show the development of the medical service:

Year	Number of medical officers of the fund	Number of consultations	
		On the premises of the fund	At the patient's home
1922	92	1,022,639	65,059
1923	237	1,837,396	153,857
1924	241	2,019,478	184,624

¹ The decrease in membership during the second half of 1924 is a result of the increase in unemployment in the textile industry.

² The smaller income of the Lodz Sickness Fund in comparison with that of the Warsaw Sickness Fund is due to the crisis in the textile industry and the reduction of working days which has involved a reduction in the wages on which contributions are based.

³ In spite of the lower level of its receipts the Lodz Fund was compelled during 1924 to spend more than the Warsaw Fund on medical assistance, paying in fact more than 70% of its receipts for this purpose. These figures prove that the funds covering various classes of insured workers are placed in an advantageous position compared with those embracing almost exclusively wage-earners employed in one single kind of industry and, by showing the consequent danger of trade or employers' funds, are a powerful argument in favour of the territorial system.

The number of persons admitted into hospitals and maternity homes was as follows:

1923	9,962
1924	10,962

3. The sickness fund of the Lublin district, which was founded in March 1924, includes 13,729 members and 13,620 members of their families, a total of 12 per cent of the population of the district. In 1924 during the nine months of its existence the fund granted 102,684 consultations, 4,022 being at the patient's home, and obtained the admission of 1,011 persons into hospital. The fund has one drug stores and several treatment rooms. The total receipts from contributions in 1924 was 656,788 zlotys and the total expenditure on medical assistance 345,635 zlotys, more than 50 per cent of the total receipts.

Organisation of the unions of funds.

As soon as the organisation of sickness funds in any given region is sufficiently advanced to afford sufficient guarantees for the success of a Regional Union of Funds the Ministry of Labour and Social Welfare proceeds immediately to the creation of such a union.

On 1 January 1925 the following progress had been made in this connection:

Date of organisation	Region	Head-quarters	No. of funds
July 1922	Voivodes of Cracow and Kielce and the voivode of Silesia (former Austrian districts)	Cracow	31
September 1922	Voivodes of Leopold, Stanislawow, Tarnopol and Volhynia	Leopold	57
February 1923	Voivode of Poznan and Pomorze	Poznan	58
September 1924	Voivode of Lodz	Lodz	12
Under organisation	City of Warsaw and voivodes of Warsaw, Lublin and Bialystok	Warsaw	19

The regional unions of funds organise and provide for the granting of such medical assistance as exceeds the individual powers of the sickness funds and especially of the smaller funds (above all sanatorium and other special treatment). The oldest and best organised union, the Cracow Union of Funds, for example, possesses the most powerful Roentgen plant in the Republic, a chemical-bacteriological laboratory, various electrical appliances and is at present setting up a sanatorium at Bystra in Upper Silesia. The General Union of Sickness Funds is being organised and within a few months will be beginning its work. Thus will the organisation of the system of sickness insurance provided by the Act of 19 May 1920 be completed and its normal working secured.

The Ministry of Labour and Social Welfare is well aware that the results obtained only mean that the first step has been taken towards the realisation of the purposes it has in mind in regard to sickness insurance. Nevertheless the experience of the last few years seems to justify the belief that its efforts are being directed along the right paths and that what has already been achieved will make it possible to perfect and develop the system founded.



The Polish Act
respecting unemployment insurance.

None of the territories restored to Poland possessed any legal provisions relating to unemployment insurance. All that had been done was that in the territory of Upper Silesia, incorporated in Poland in 1922, the question of unemployment relief had been regulated by the Decree of 1 November 1921 of the German Government. The Act of 18 July 1924 introduced a uniform system of unemployment insurance throughout the territory of the Polish Republic, including the voivode of Silesia. This latter inclusion was necessary, as the Act granted to the majority of the workers in case of unemployment more favourable conditions than were laid down in the German provisions, while for those classes, numerically few, which are not covered by the Polish Act, the old regulations remain in force.

The following are the main provisions of the Act of 18 July 1924 establishing unemployment insurance.

Scope of the Act.

Insurance is compulsory for all workers of either sex over eighteen years of age employed under contract in industrial, mining, metallurgical, commercial, communication and transport undertakings and also in any other undertakings which, although not conducted for profit, are managed on the same principles as industrial undertakings, provided these undertakings employ more than five workers. The Act authorises the Minister of Labour and Social Welfare, in agreement with the other Ministers concerned, to exclude from compulsory insurance workers employed in undertakings working less than six months in the year. In virtue of this provision a ministerial order of 27 October 1924 has exempted workers employed by the season in sugar works, starch works, treacle works, brandy distilleries, drying houses, fruit preserving works and aerated water factories as well as unskilled seasonal workers employed

in periodical constructional and repair work on railways, roads and waterways, provided that:

1. The employment does not normally last more than six months in the year;
2. The workers have not been employed for more than ten weeks during the preceding twelve months in an undertaking subject to insurance.

By a Ministerial Order of 11 March 1925, for the issue of which the Act made provision, compulsory insurance has been extended to the following State undertakings: coal and oil mines, oil depots, factories for the manufacture of oil products and of nitrogen compounds, saw mills and other establishments for the treatment of wood and training establishments for disabled ex-service men. Similarly this order has extended the obligation to skilled workers employed in periodical work on

1. State railways;
2. Constructional or excavating work under the military authorities and in military stores;
3. Construction and repair of buildings and roads, carried out by State or local authorities;
4. All State undertakings of the above nature.

Unskilled workers engaged in the work enumerated under 1, 2 and 4 and on constructional work carried out by the State authorities, except in the case of telegraphs and telephones, are subject to insurance:

1. If their employment normally lasts more than six months in the year;
2. If they have been employed for a period of at least ten weeks during the preceding twelve months in an undertaking subject to insurance.

Undertakings and establishments belonging to the local administrative authorities are not liable to compulsory insurance if, in accordance with a resolution of their representative bodies, they grant their workers unemployment relief.

Benefits.

The object of the unemployment insurance scheme is the reparation of the economic consequences of loss of work due to causes other than sickness, invalidity, industrial disputes while in process, or fault of the worker involving, in virtue of

the provisions of the law, immediate dismissal. It does not, however, cover seasonal unemployment, i.e. loss of work during a season when workers, normally employed for less than ten months in the year, are not employed in the occupation in question. An Order of the Minister of Labour and Social Welfare includes in seasonal employment, as not entitling the workers to unemployment benefit, loss of work from 15 December to 1 March inclusively (the “dead” or “off” season) by building and excavating workers and workers engaged in street repair, inland navigation, water transport and in brick works working normally less than ten months in the year.

In case of exceptional unemployment the operation of these restrictions may be suspended by ministerial order in respect of particular classes of workers or particular localities.

In addition to total unemployment the insurance covers partial unemployment when, as a consequence of a reduction of the days of work in any given undertaking, the weekly wage falls to not more than the normal wage for three days' work.

The compulsory initial period of insurance is twenty weeks during the twelve months preceding the registration of unemployment by the worker, which must be made within a month at the most from the date of loss of work. Time spent on military service and periods of sickness are included in this initial period.

The right to benefits is acquired ten days from the date of registration of unemployment and lasts for not more than thirteen weeks in any one year. The Minister of Labour and Social Welfare may prolong the duration of the benefit period to seventeen weeks or, during the first year of application of the Act, to twenty-six weeks (Act of 28 January 1925) and has already in the Order of 27 March 1925, made use of this authorisation. In the case of seasonal workers who have been brought under the scope of insurance by ministerial order the maximum period of benefits is six weeks.

The rates of benefit are as follows:

for a single worker	30%
for a worker maintaining a family of 1 or 2 persons.	35%
for a worker maintaining a family of 3 or 5 persons.	40%
for a worker maintaining a family of more than 5 persons	50%

of the wages of the worker, no money received in excess of 5 zlotys being taken into account.

Contributions.

The contribution is 3 per cent. of the above-mentioned wage, distributed as follows:

Worker.	0.5%
Employer.	1.5%
State.	1 %

The Council of Ministers has authority to charge the rural and municipal local authorities up to one half of the State's share in the cost of unemployment insurance.

Organisation.

Unemployment insurance is administered by the Unemployment Fund which is attached to the Ministry of Labour and Social Welfare and forms a body corporate. At its head is placed a managing committee composed of a chairman nominated by the Minister of Labour and Social Welfare, two officials of the Ministry of Finance, six workers' and four employers' representatives and four members representing the local authorities. The workers' representatives are nominated for a period of three years by the Minister of Labour and Social Welfare on the recommendation of the principal trade union organisations. The employers' representatives are nominated in a similar way on the recommendation of employers' organisations. Of the representatives of the local authorities, two are appointed on the recommendation of the central organisations of municipal (urban) authorities and the other two on the proposal of the central organisations of district (rural) authorities.

As local organs of the Central Unemployment Fund the Act provides for the creation of regional committees at the headquarters of the public employment exchanges.

These committees are composed of the manager of the employment exchange who acts as chairman, three workers' and two employers' representatives and two representatives of the competent local authority. They are chosen for a period of three years on the recommendation of the various organisations, similarly to the Central Committee.

The regional committees are responsible for the collection of contributions, the granting of benefits and the supervision of

the unemployed, of which duties the two first may be effected, under the control of the committee and subject to the repayment of expenses, by the local authorities or social institutions. Supervision is secured through the employment exchanges and their dependent bodies. An unemployed worker may within eight days appeal against a decision of the regional committee to the regional appeal committee which is required to give its decision within fourteen days. This latter committee, the headquarters of which is at the seat of the regional committee, is composed of a chairman appointed by the Minister of Labour and Social Welfare, of one workers' and of one employers' representative appointed by the central managing committee for a period of one year.

A decision of a regional appeal committee may, following a complaint on the part of the person concerned and on the proposal of the central managing committee, be annulled by the Minister of Labour and Social Welfare, in cases where the Committee has exceeded its powers or where there has been an obvious breach of the law or breaches of procedure of such importance that it is impossible to regard the committee's decision as valid.

In virtue of § 38, the Minister of Labour and Social Welfare has issued an Order suspending for a period of one year the provisions relating to the compulsory initial period. A further Order dated 25 September 1924 of the same Minister explicitly grants all foreign subjects the benefits of the Act to the same degree as Polish citizens.



Unemployment insurance in practice.

The Act of 18 July 1924 respecting unemployment insurance provided that it should be applied throughout the territory of the Republic within a year of the date of its promulgation.

Before, however, the preparatory technical work could be completed and the insurance could be put into normal working order, the Ministry of Labour and Social Welfare found itself obliged to organise a provisional system of relief for the unemployed, which system was later taken over by the Unemployment Fund. These temporary measures were begun at the end of July 1924 in the regions where unemployment was most extensive, were replaced gradually as the normal system of insurance became organised and were entirely liquidated by the end of October 1924. During this period about 4,500,000 zlotys were paid out as temporary relief, by which sum by 22 October 53,988 unemployed workers had benefited in the following territories:

City of Warsaw	196 persons
Voivode of Warsaw (Wloclawek) . .	130 „
„ Cracow (coal mines) . .	1,569 „
„ Bialystok	1,842 „
„ Lodz	37,596 „
„ Kielce	11,813 „
„ Leopold (Drohobycz) . .	841 „
	<hr/>
Total	<u>53,988 persons</u>

Similar action was undertaken separately by the voivode of Silesia where about 30,000 unemployed workers had received a sum amounting to nearly 2,350,000 zlotys.

The Unemployment Fund began its normal work in September 1924 and by the middle of February 1925 42 regional committees (of the total number of 55 laid down in the Act) had been organised.

The following figures illustrate the development of unemployment insurance.

Month	Area covered by the Unemployment Fund		Population in the areas covered by the Unemployment Fund	
	In square miles	Percentage of total area of the Polish Republic	Numbers	Percentage of total population
September 1924	5,526	3.7	3,554,661	13.1
October 1924	5,227	3.5	2,477,313	9.1
November "	8,214	5.5	1,872,540	6.9
December "	4,928	3.3	1,074,627	3.9
January 1925	7,916	5.3	1,772,743	6.5
February "	15,981	10.7	2,877,124	10.6
	47,792	32.0	13,629,008	50.1

The following table shows the development of unemployment insurance in the different voivodes by 10 February 1925:

REGION	Area covered by insurance in square miles	Percentage of total area of voivode	Population in the areas covered	Percentage of total population of voivode
City of Warsaw	47	100	931,176	100
Voivode of Warsaw	7,091	63	1,461,446	69
" " Lodz	5,192	71	1,708,115	75
" " Kielce	8,001	81	2,195,045	87
" " Lublin	2,036	17	452,749	22
" " Bialystok	2,749	22	335,831	26
" " Vilna	—	—	128,954	13
" " Novogrodek	—	—	—	—
" " Polesia	—	—	—	—
" " Volhynia	—	—	—	—
" " Poznan	4,691	46	1,068,551	54
" " Pomorze	684	11	170,523	18
" " Cracow	3,412	51	1,216,952	61
" " Leopold	5,196	50	1,485,657	55
" " Stanislawow	7,065	100	1,384,481	100
" " Tarnopol	—	—	—	—
" " Silesia	1,628	100	1,125,528	100
Total. . .	47,792	32	13,629,008	50

As the above table shows, on 10 February 1925 the activities of the Unemployment Fund extended over one-third of the territory, and the population in this third was one half of the total population, of the Polish Republic. In the more highly industrialised districts the proportion was higher and in some

cases reached 100 per cent. of the area and population of the districts.

The following table shows the unemployed and unemployment beneficiary figures during the separate weeks of December 1924 and January 1925.

Date	8.12	15.12	22.12	29.12	5.1	12.1	19.1	26.1
	14.12	21.12	28.12	4.1	11.1	18.1	25.1	1.2
Total number of unemployed	152,620	156,550	159,060	163,080	165,160	168,880	172,420	175,020
Total number of unemployed entitled to benefits	69,490	69,744	70,898	73,477	74,376	75,299	77,491	78,471
Total number of unemployed in receipt of benefits	*69,996	*72,655	66,276	59,986	58,877	*114,790	*77,528	76,288

The actual amount of benefits paid has not yet been definitely established. An approximate estimate may however be made on the basis of the sums assigned each month to meet estimated expenses.

Month	Amount assigned
October 1924	1,962,208 zlotys
November „	2,425,365 „
December „	2,949,402 „
January 1925	2,767,151 „
Total (four months)	10,104,126 zlotys

The cost of management amounted to 2 per cent. in October, 3 per cent. in November and December and 5 per cent. in January of the sums assigned.

* The excess of unemployed in receipt of benefits over unemployed entitled to benefits is explained by the payment of back benefits.

The following were the numbers of persons contributing to the Unemployment Fund in February 1925:

7,285 employers
578,414 workers

The receipts of the Unemployment Fund from contributions were:

Up to November 1924	155,490.36 zlotys
November 1924	796,831.54 „
December 1924	798,199.87 „
January 1925	919,614.57 „
Total.	<u>2,670,136.34 zlotys</u>

Future programme.

It was the purpose of the previous pages to give an accurate picture of the work of the Ministry of Labour and Social Welfare for the preservation and development of the rights acquired by the wage-earners in the sphere of social insurance.

This work can in no sense be regarded as terminated. On the contrary, the Ministry of Labour and Social Welfare is fully aware of the difficult task that still remains to be accomplished. Nevertheless, it feels justified in hoping that, by the organisation of sickness insurance already completed, strong solid foundations have been laid on which the Ministry can base the future organisation of other forms of insurance, while making the modifications necessary for their particular development.

Sickness insurance.

The organisation of the sickness funds is almost complete. Only in a few agricultural districts are these institutions absent, but even here their organisation is planned for the near future. This is a matter, however, which is closely connected with the extension of compulsory insurance to agricultural workers, who, in certain districts, have not yet been subjected to this compulsory insurance. Unless this step is first taken, the organisation of sickness funds in purely agricultural districts would mean the creation of institutions incapable of development and unable to fulfil their normal duties. Such a result would be entirely contrary to the intentions of the Ministry of Labour and Social Welfare, whose programme in regard to social insurance is the creation of sound sickness funds capable of playing their part in the future general scheme of social insurance. Accordingly, it has been planned to subordinate the organisation of a special fund in any given district on the preliminary attainment of a legal minimum of insured persons in that district. If the number of insured persons in the district does not reach this minimum,

funds common to several districts will be set up, or, if the funds are already in existence, those with an insufficient number of members will be amalgamated in institutions satisfying the above requirements.

Invalidity, old age and survivors' insurance.

It is through the sickness funds, when they have thus been strengthened and given adequate foundations, that the Ministry of Labour and Social Welfare hopes to build up a system of invalidity, old age and survivors' insurance. It will be remembered that this insurance only exists in the case of manual workers in the former Prussian territory and in the case of non-manual workers in the former Prussian and Austro-Hungarian territories. Moreover, there are different legal provisions in force relating to this branch of insurance in each of the different territories.

These insurance systems, which have been inherited from the respective States and have been improved in regard to certain details by Polish legislation, are far from meeting the wishes of the Ministry of Labour and Social Welfare so far as the benefits granted are concerned. For this reason the Ministry intends to aim at the reconstruction of the insurance institutions and at the same time the increase in the benefits they grant and the reduction of the time limits and other conditions imposed by them before benefits are granted (waiting period, etc.), which tendency of Polish administration has already been expressed in the reform of sickness insurance secured by the Act of 19 May 1920.

The Ministry of Labour and Social Welfare is now preparing a Bill covering sickness insurance (though here the only modifications suggested relate to an increase in benefits, e.g. prolongation of duration up to 52 weeks) and fixing, as has already been mentioned, a minimum number of members, on the attainment of which the right to form a sickness fund will be made to depend. In addition to sickness insurance, however, the Bill also deals with invalidity, old age and survivors' insurance. Generally speaking, the persons to be insured will be the same as for sickness insurance, i.e. insurance will be based on employment in virtue of a contract of employment. The minimum period for which members must pay subscriptions before becoming entitled to invalidity pensions will be

reduced, in comparison with the period now in force in the former Prussian territory, and will be of three, or in certain cases of two, years. The minimum pension will be increased up to 40 per cent. of the wages of the incapacitated worker. Widows' pensions will no longer be paid only in case of working incapacity. Insured persons will pay two-fifths and employers three-fifths of the total contribution, whereas at present, in virtue of the old German Act, the insured person and the employer each pay half.

The Bill provides for the administration of insurance by the sickness funds and the regional insurance institutions. The sickness funds will be responsible for all decisions relating to the obligation to insure, the registration of members, the collection of contributions, the necessary medical examinations and the supply of sickness insurance benefits. The regional institutions, the limits of which are to cover several voivodes, will grant the long payment pensions (invalidity, old age and survivors' pensions) and at the same time will, within their own limits, undertake duties corresponding to those performed by the regional unions of funds. Each class of institution will be given complete financial autonomy with regard to the matters within its competence, although, with a view to the equitable distribution of risks, a considerable part of the annual expenses resulting from long payment pensions will have to be supported in common by all regional institutions in proportion to their receipts. The verification of accounts will be executed by the central union of the institutions, which will also be responsible for the co-ordination of their work, the collection of insurance statistics, financial negotiations (mutual credit, investments, etc.), the improvement of medical assistance, etc.

The insurance of non-manual workers in private employment.

Clerical workers only receive from the general insurance fund benefits in case of sickness. On the other hand, they possess a *special pension scheme*.

The exclusion of clerical workers from general insurance appeared necessary to the Ministry of Labour to satisfy, in the first place, the tendencies shown by this class of workers, and, in the second, their real interests, which consist rather in the acquirement of higher benefits, even though these have to be

paid for by a longer insurance period, than the pensions of invalidity insurance which are obtained more rapidly but which are not so high in amount. Moreover, clerical workers are by their very traditions more ready to bear the burdens necessary to obtain higher benefits than other classes of insured persons.

The benefits provided by a pension scheme for clerical workers should therefore, it is felt, be subject to a longer waiting period than for other workers (5 years). On the other hand, the invalidity pension should amount, at the lowest, to 50 per cent. of the salary of the insured person and should increase by 2 per cent. for each year during which insurance contributions were paid, beginning with the eleventh year and reaching, after 35 years, 100 per cent. of the salary. At the present moment the insurance of non-manual workers in private employment in the former German territory lays down a waiting period of 10 years and the pensions granted are considerably lower than those now under consideration. A single institution for non-manual workers will have to be set up to administer retirement insurance.

The Bill also provides for clerical workers an insurance scheme against unemployment which is closely connected with the retirement insurance scheme. The proposed benefits in case of unemployment are 40 per cent. of the salary of the worker with an increase of 2 per cent. in respect of each dependant.

The compulsory initial period for this insurance will be 6 months.

Unemployment insurance for manual workers.

The present Act respecting unemployment insurance has had necessarily to be adapted to the circumstances of the time, the industrial crisis and its inevitable consequence the abnormal increase in unemployment. So long as these conditions last this system of insurance will have to be retained in its present form and its application extended to the entire territory of the Republic. Nevertheless, it is to be hoped that the industrial crisis, which was the result of exceptional circumstances closely connected with the monetary reform is reaching its end and that the Ministry of Labour and Social Welfare will be able to proceed to the reconstruction of the unemployment insurance system so as to bring it into closer accord with the principles of insurance

The Ministry of Labour and Social Welfare further considers that one of its first tasks will be the increase in benefits in case of unemployment. So as to reduce the expenses of management and to attain that unity of organisation which forms an essential part of its programme, the Ministry is also planning to entrust the execution of the unemployment insurance scheme to the sickness funds.

Accident insurance.

The whole territory of the Republic is already covered by an accident insurance scheme. The next stage in its development will be the extension, from 1 July 1925, of its application to the former Russian provinces to the same extent as it now exists in the former Austrian territory, i. e., the subjection to compulsory insurance of undertakings using power and employing less than 5 workers and undertakings not using power and employing less than 15 workers. The Ministry of Labour and Social Welfare will also endeavour to extend accident insurance to the agricultural undertakings of less than 30 hectares which are not yet covered.

There still remains the difficult task of first unifying throughout Polish territory the legal provisions relating to accident insurance, in which work advantage must be taken of all the improvements already introduced in certain districts by Polish legislation, and secondly amalgamating in an organic whole accident insurance and the other branches of social insurance.

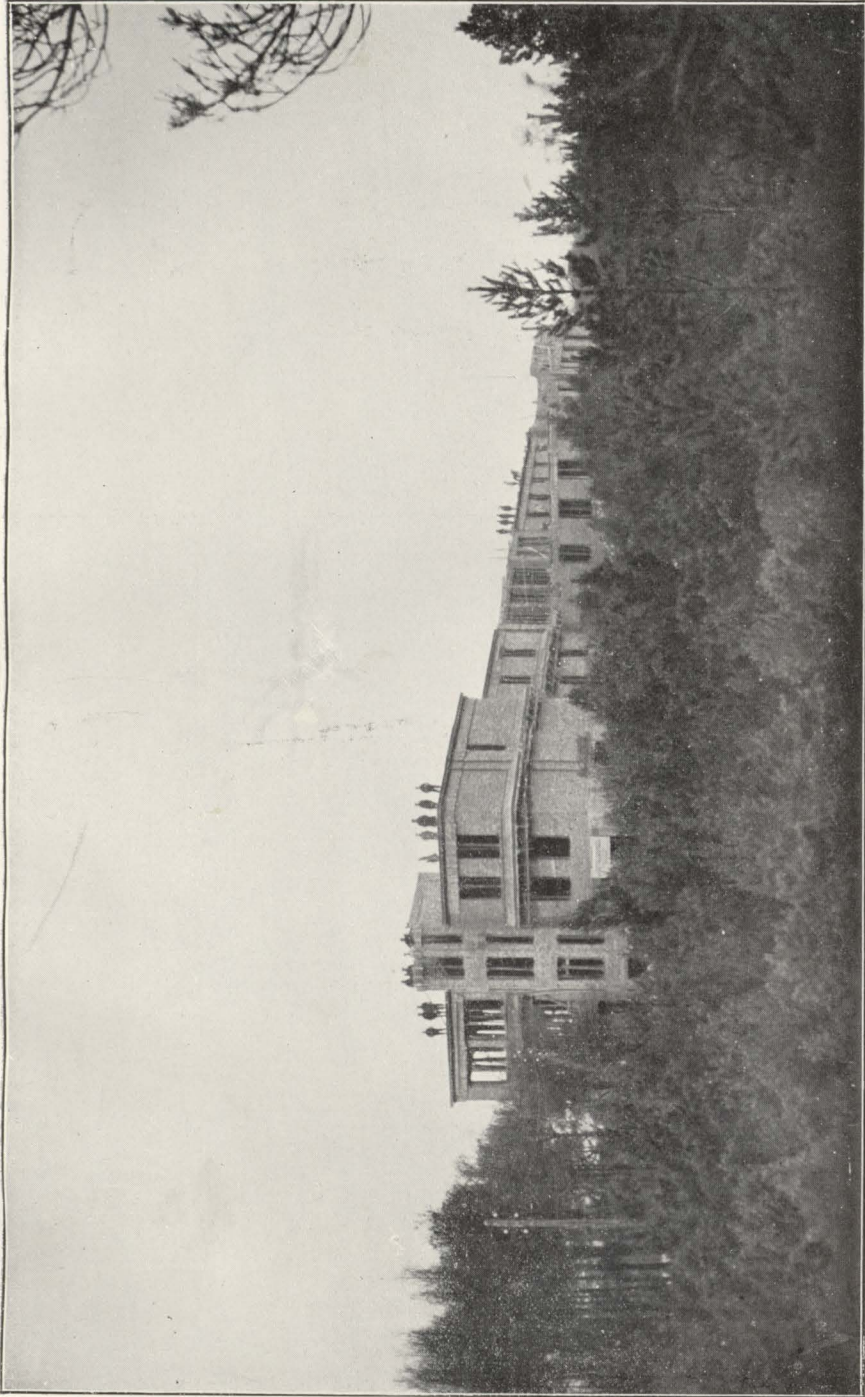
The Ministry of Labour and Social Welfare intends during the coming months to consider the preparation of a Bill on this question, which Bill will also cover occupational diseases.

The International Conventions.

While directing its efforts towards the improvement and development of social insurance, the Ministry of Labour and Social Welfare is well aware of the enormous difficulties that have to be surmounted, due to the considerable increase of burdens which the realisation of its programme will inevitably impose upon Polish industry. At the root of the problem is the question whether it will be possible for Poland to compete with

foreign industry and the answer to this question is largely dependent on the development of social legislation in the other States. It is for this reason that the Ministry of Labour and Social Welfare bases its hopes on the success of the measures taken by the International Labour Office to persuade States to bind themselves mutually to introduce such legislation in their countries.

The Ministry of Labour and Social Welfare is in full agreement with such attempts and is convinced that it is only through international Conventions that it will be possible to create conditions favourable to the rapid development of social insurance in all countries.

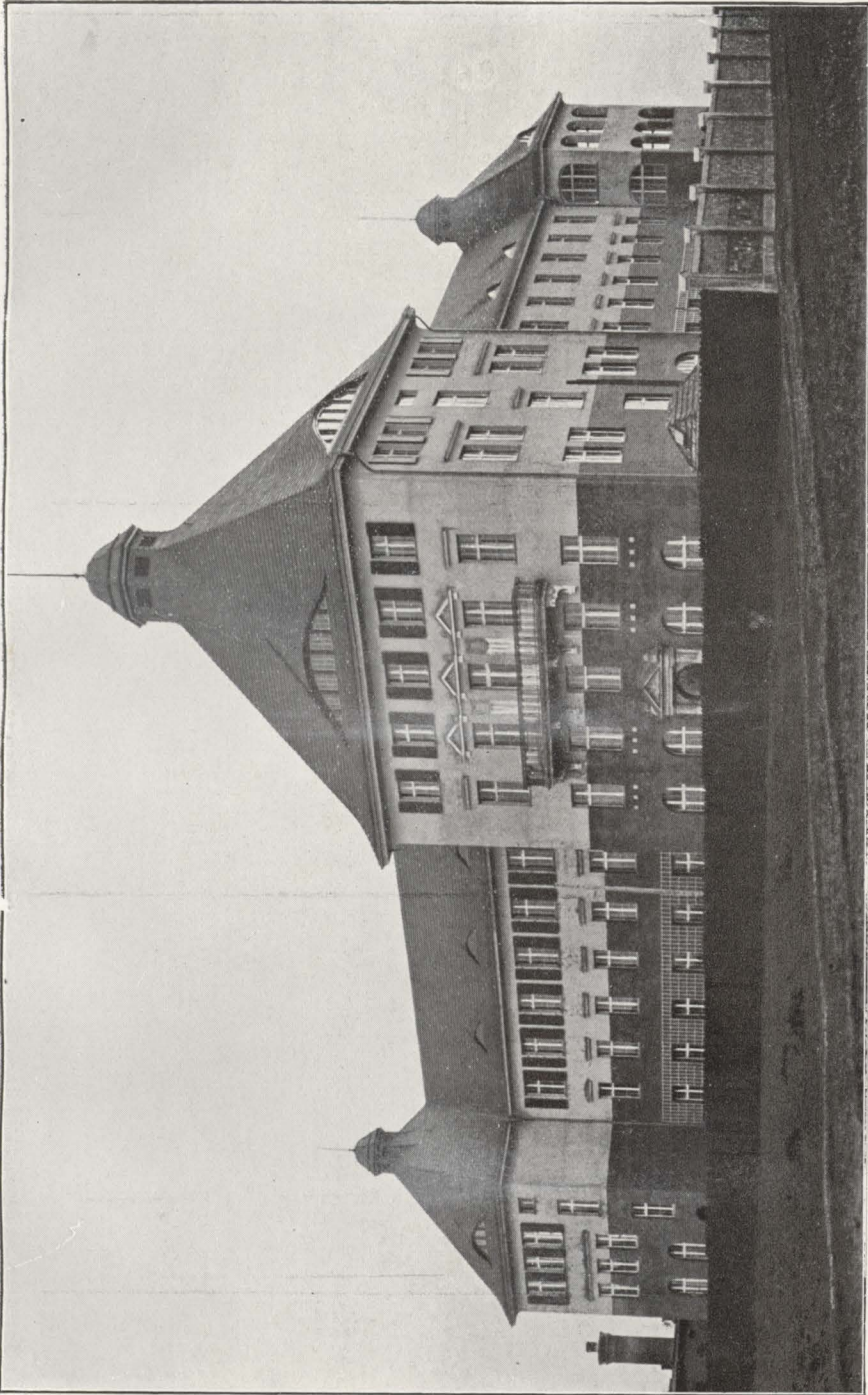


Chodzież Sanatorium for pulmonary cases
(under construction)

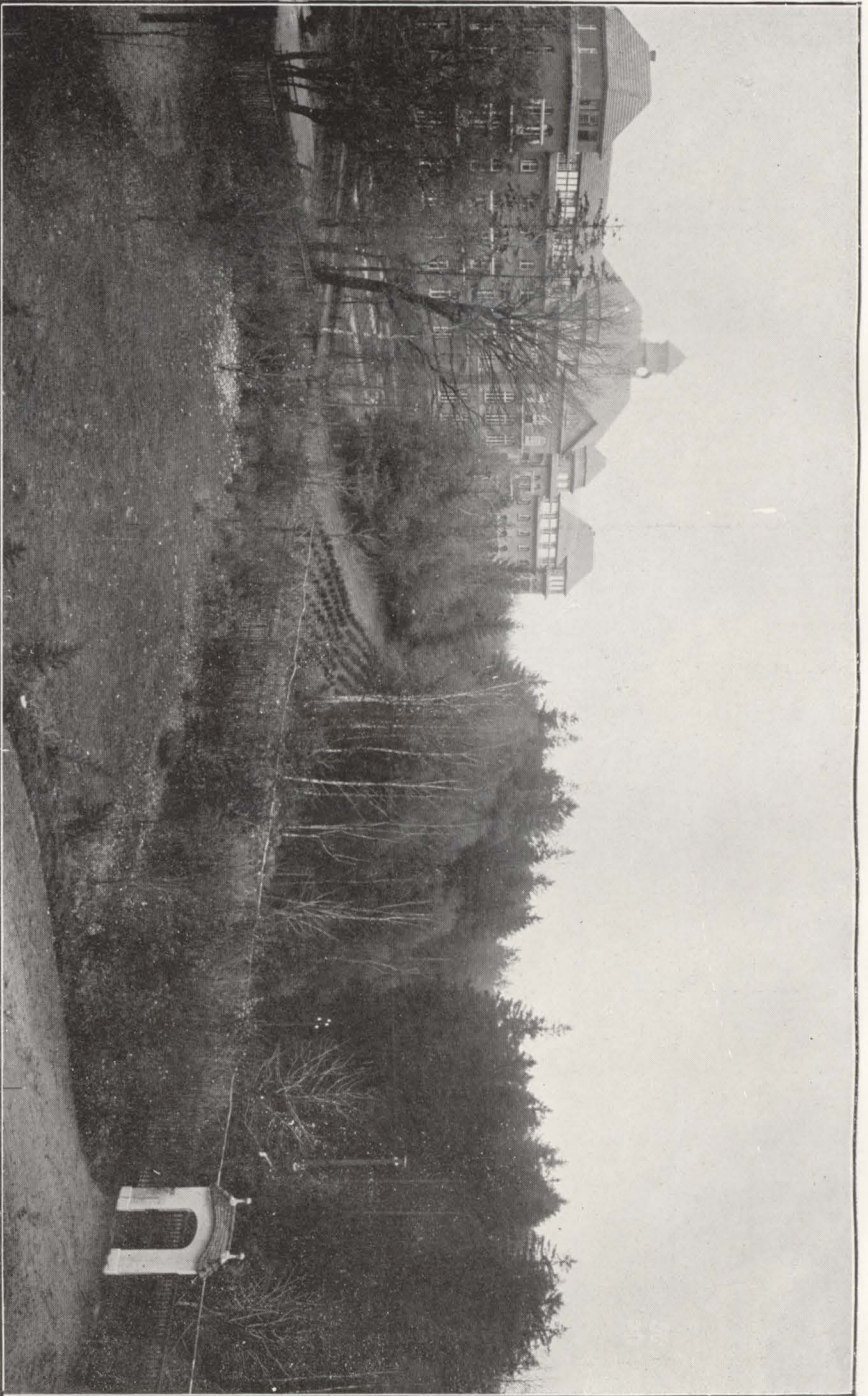


Villa "Konstantynowka" at Zakopane

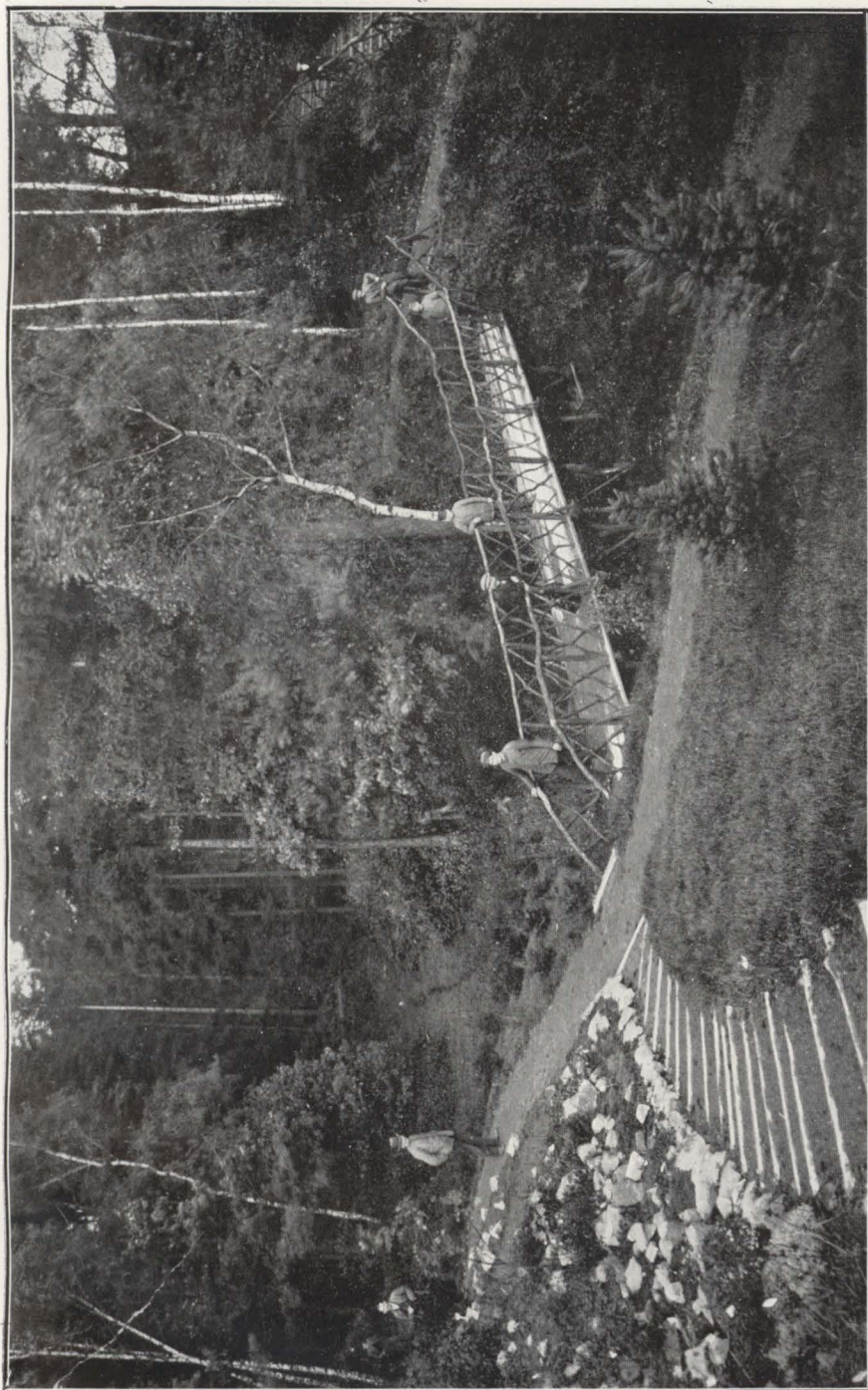
(Property of the Leopold Institute for the insurance of non-manual workers in private employment).



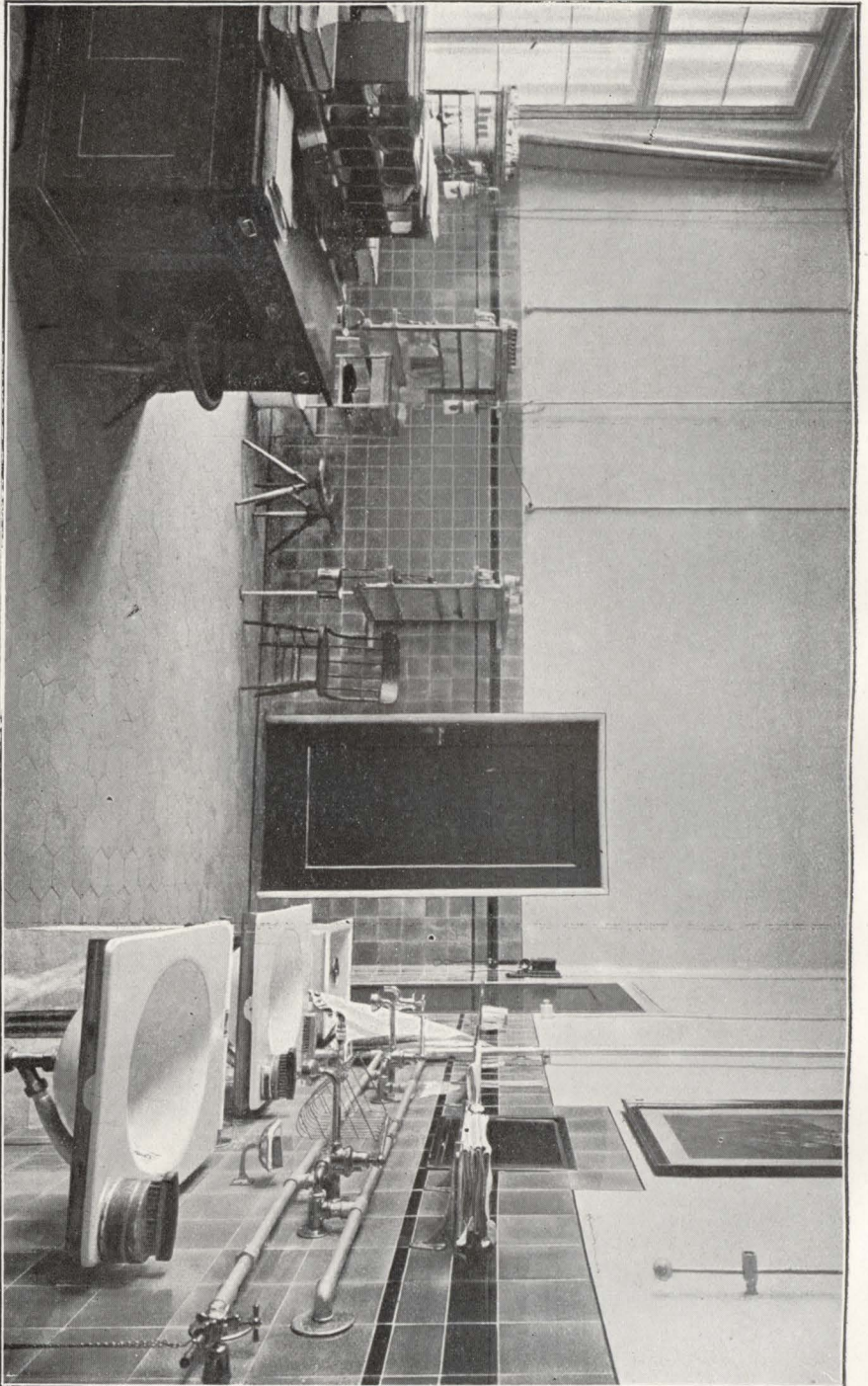
Rydułtowy Hospital.



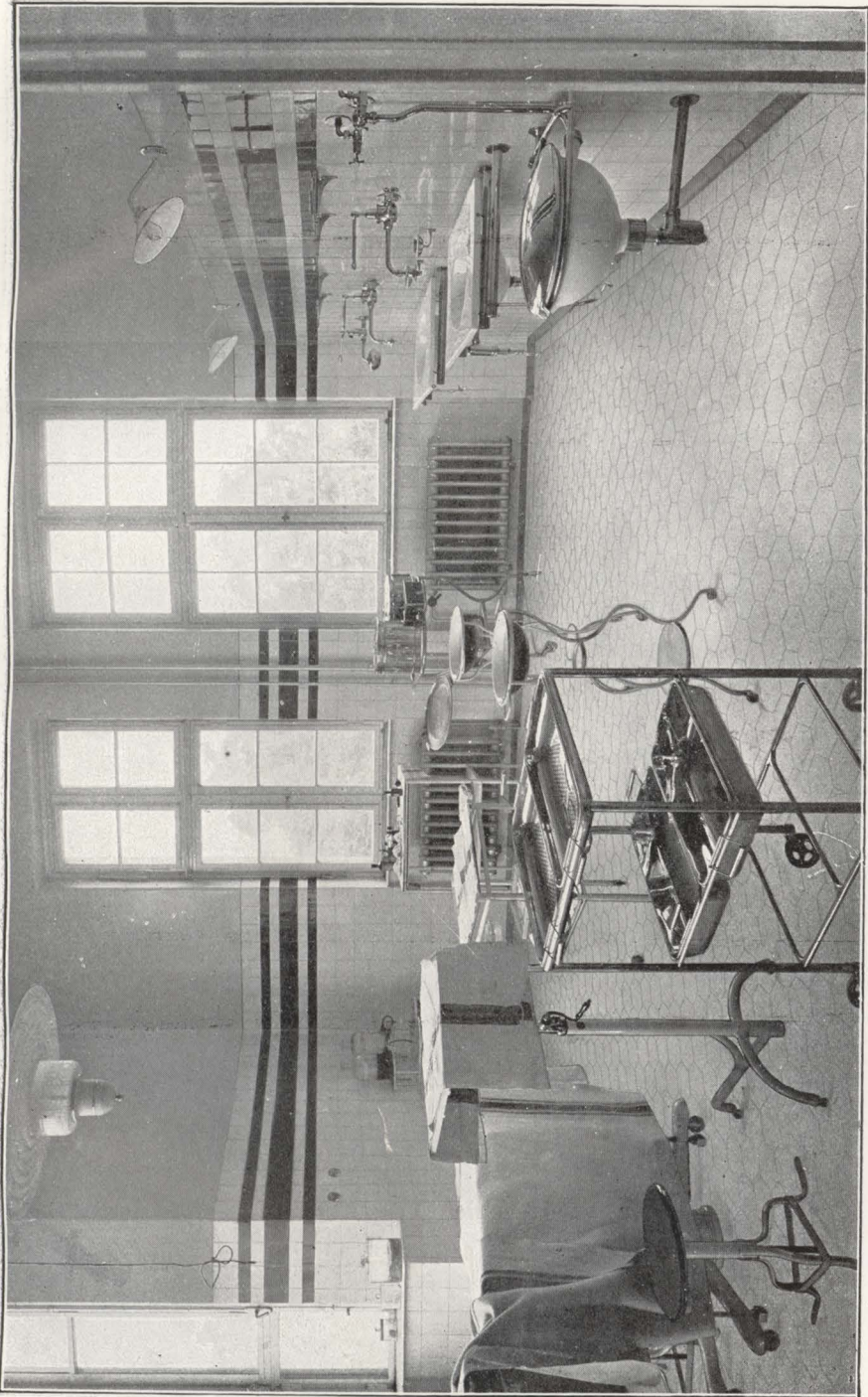
Wodzislaw Sanatorium for pulmonary cases.



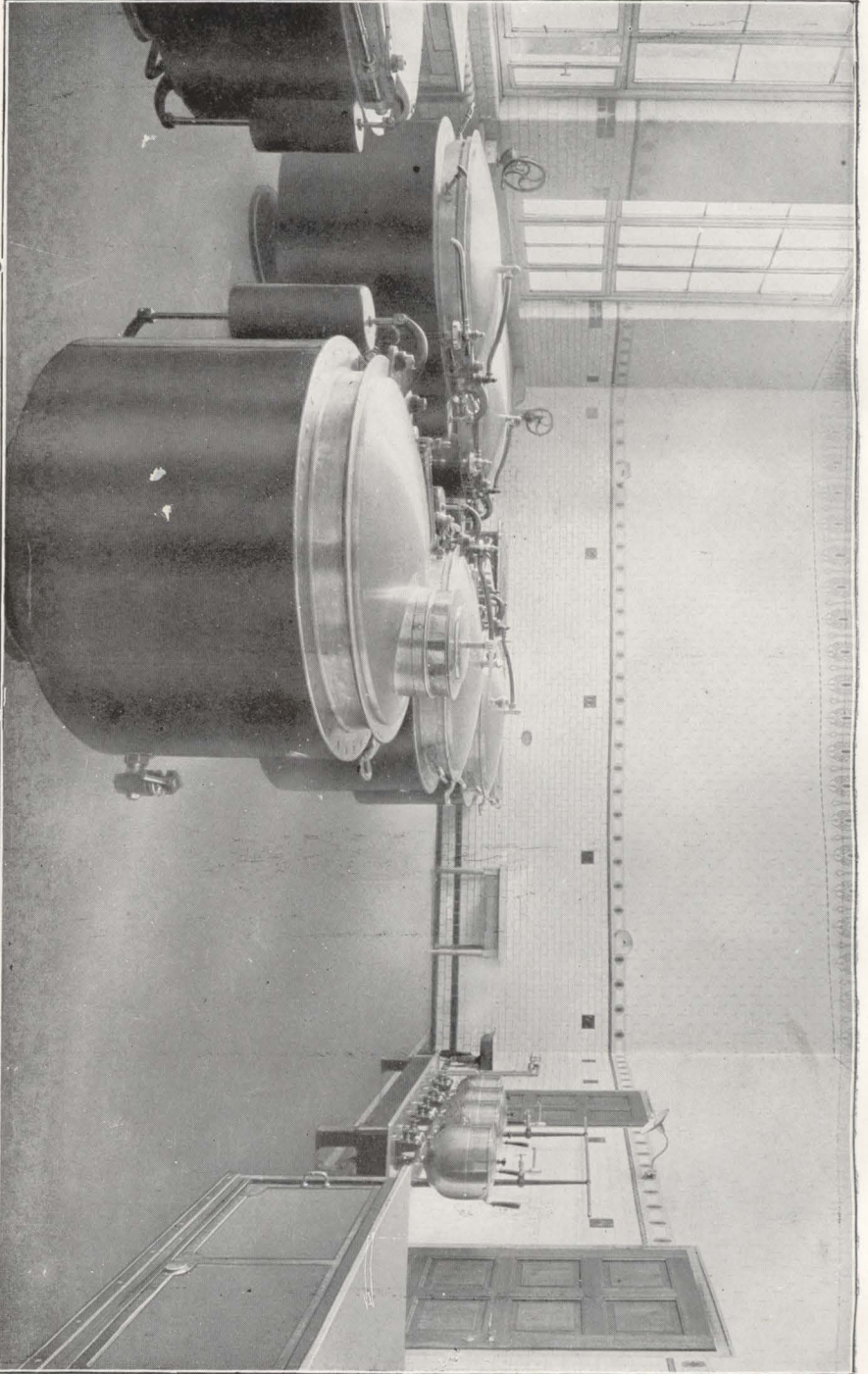
Park of the Wodzislaw Sanatorium for pulmonary cases.



Katowitz Ear Hospital.



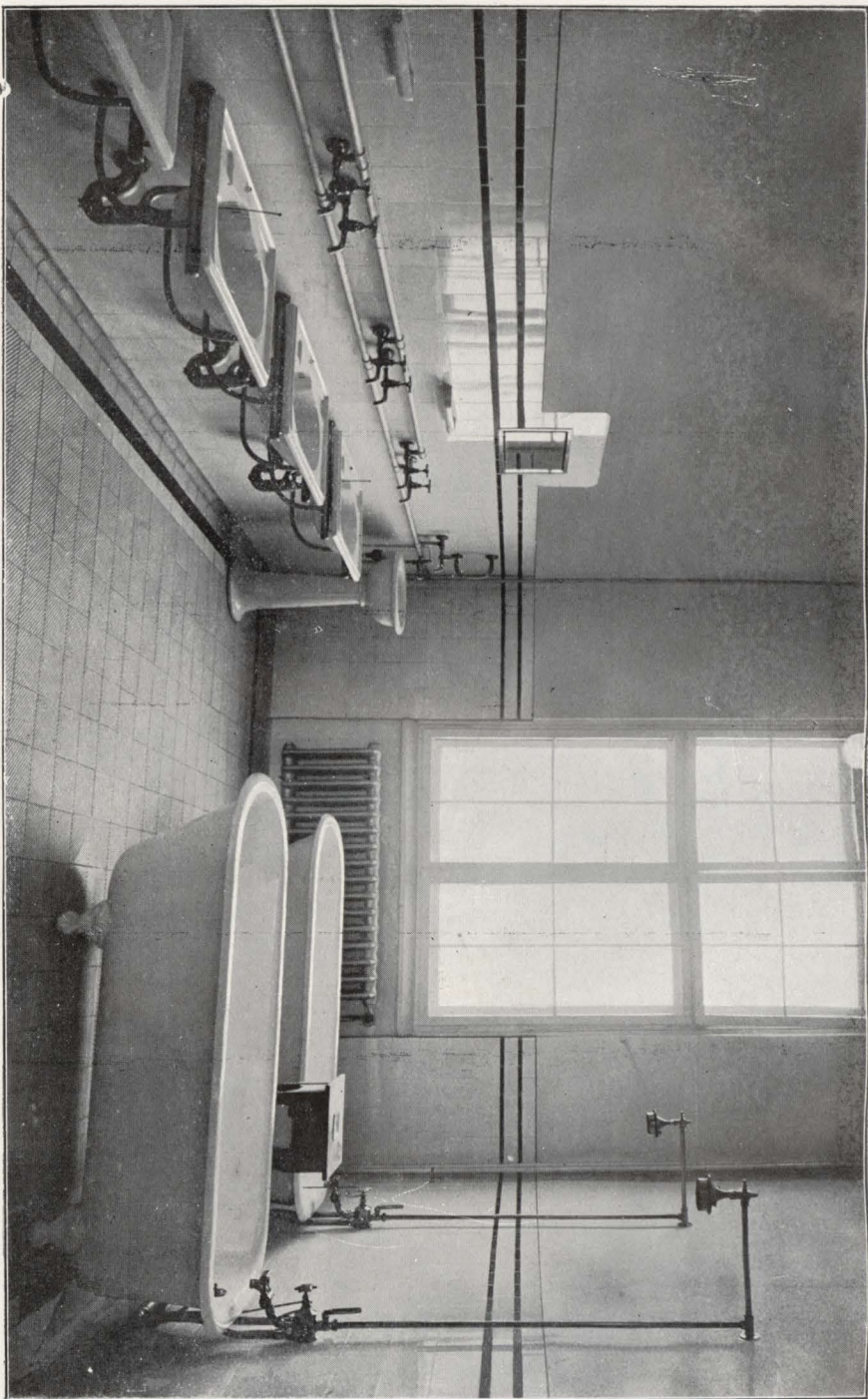
Operating room of the Katowitz Ear Hospital.



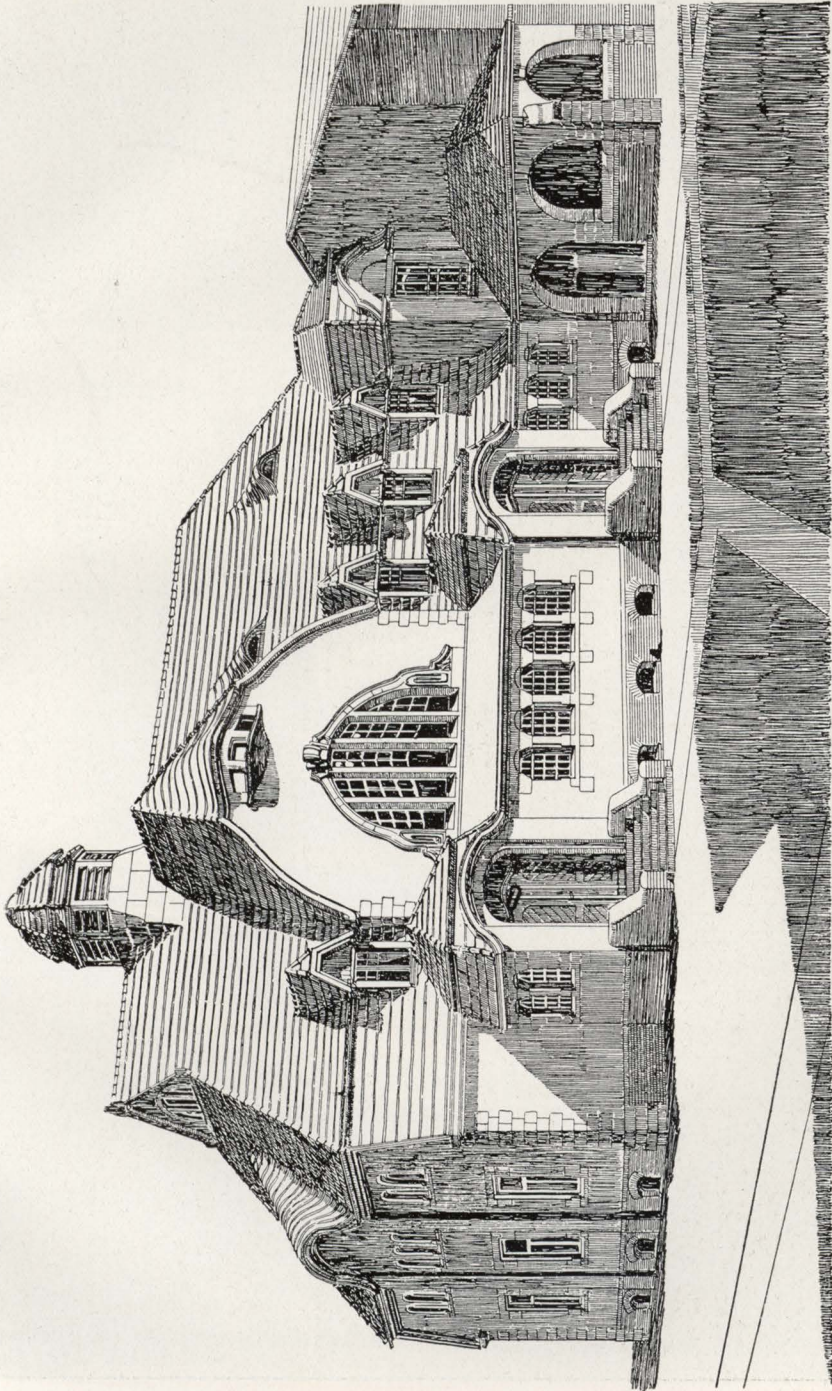
Katowitz Hospital kitchen.



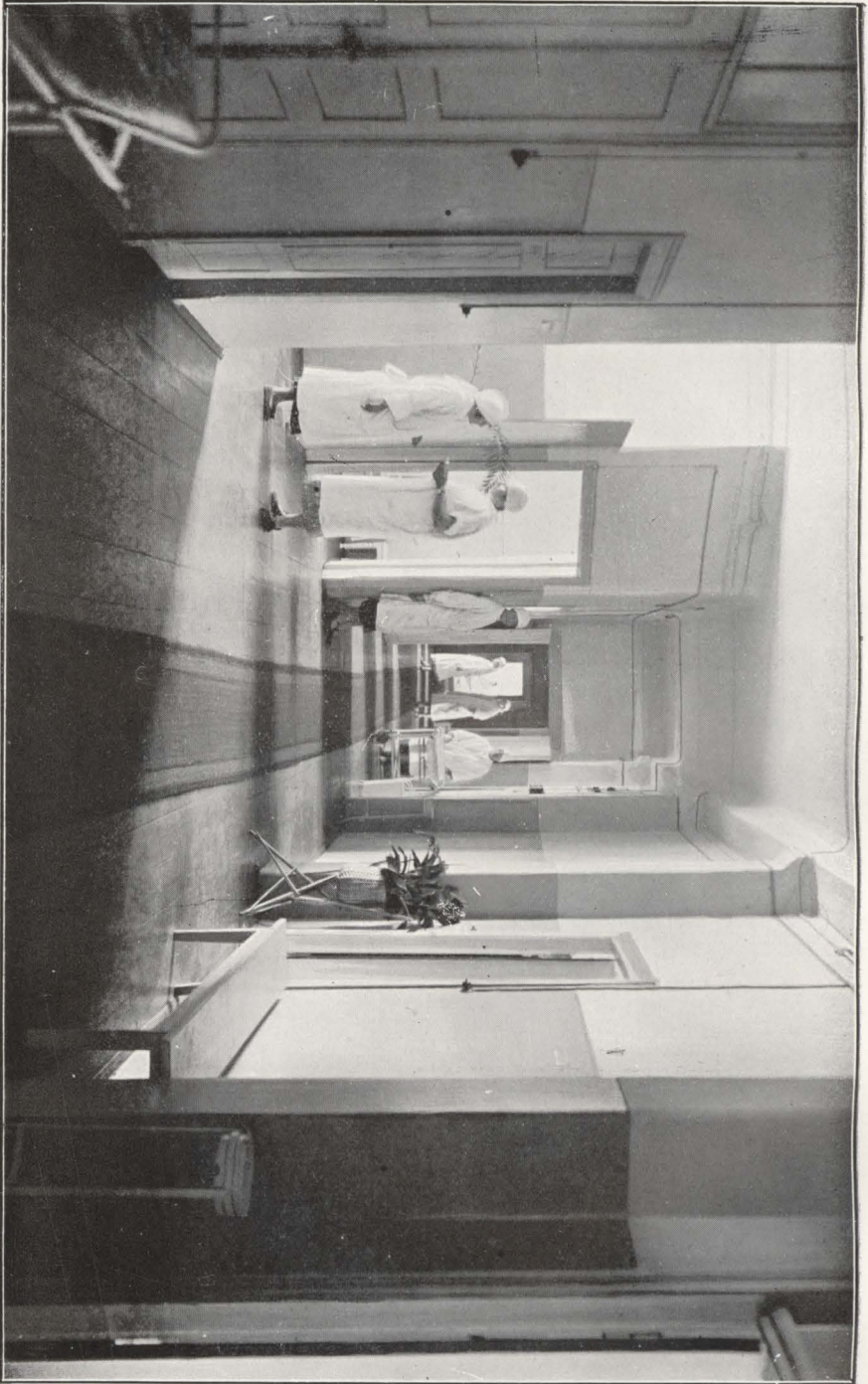
Ward of the Siemianowice Hospital.



Bathroom in the Siemianowice Hospital.



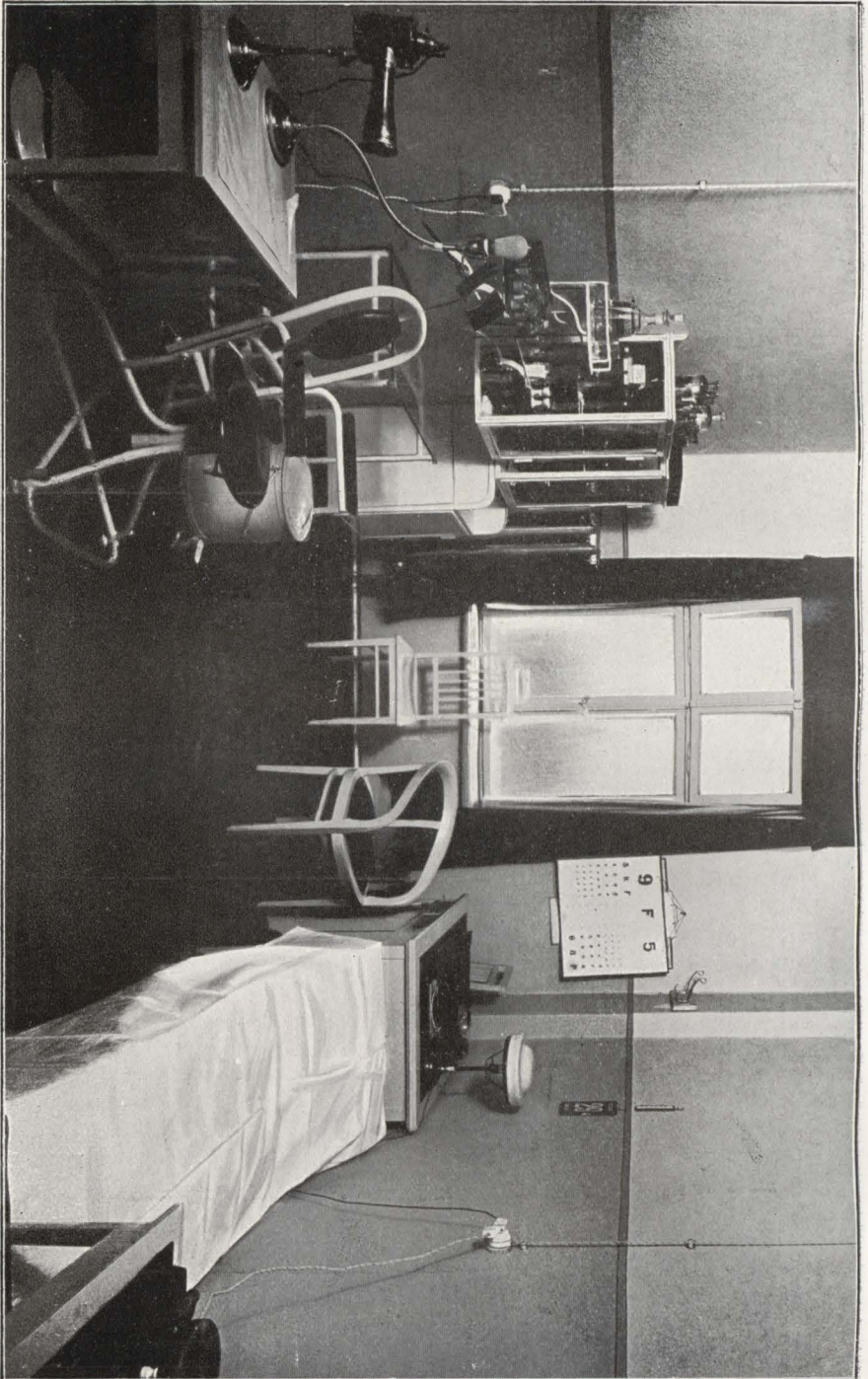
Pavilion of the Krolewska Huta Hospital.



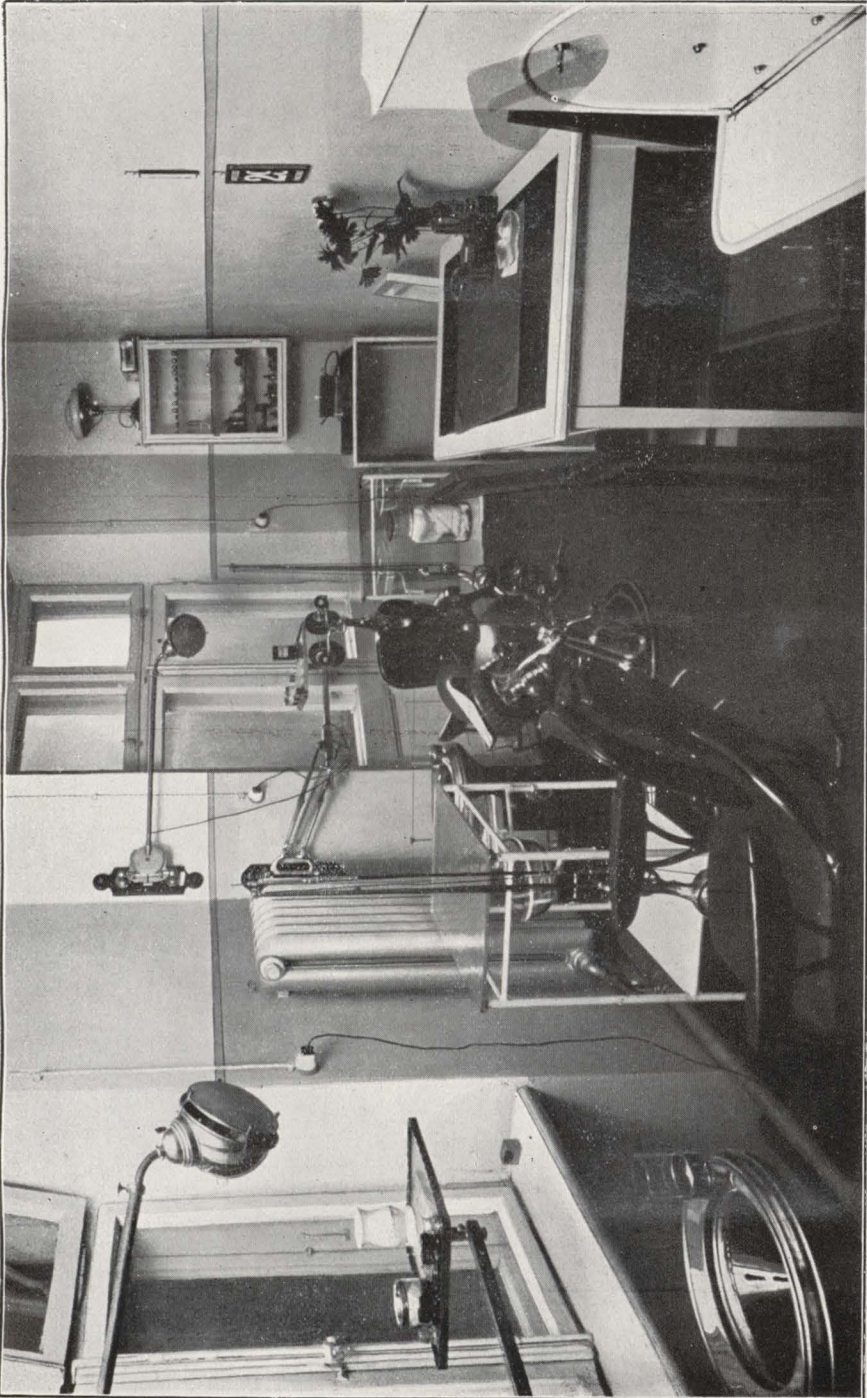
City of Warsaw Sickness Fund.
Passage in the Surgical Hospital.



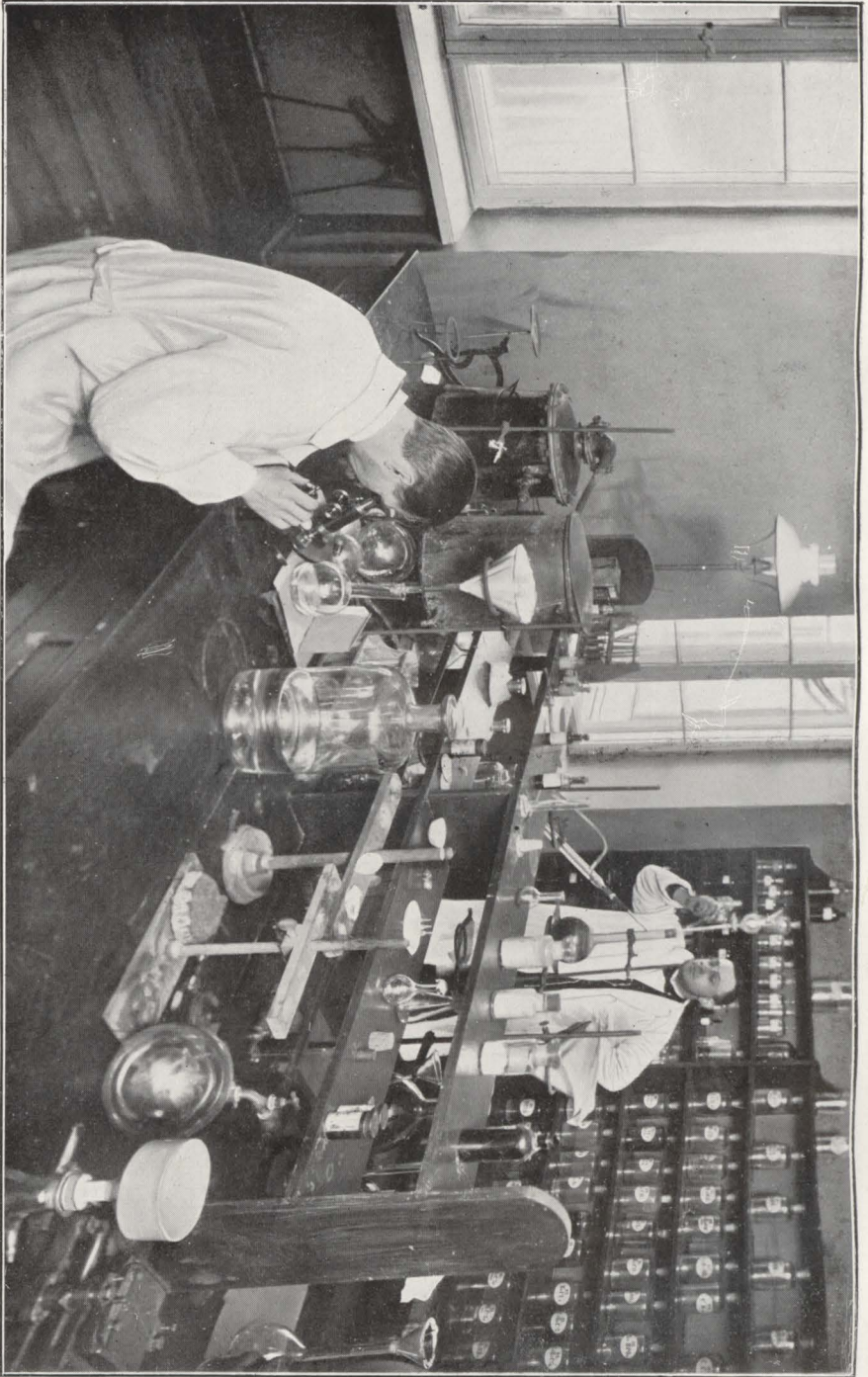
City of Warsaw Sickness Fund.
Women's consulting room.



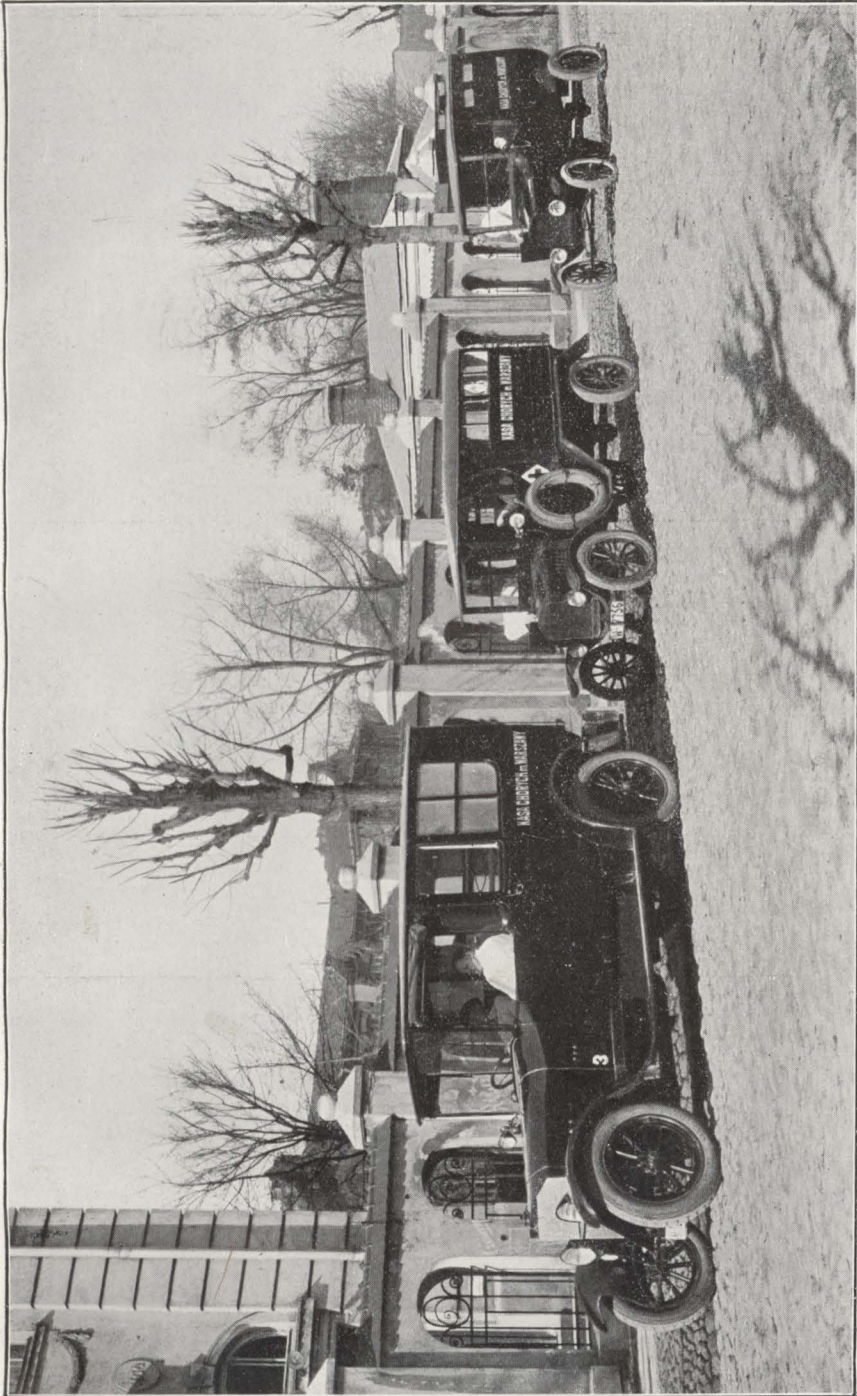
City of Warsaw Sickness Fund.
Laryngological consulting room.



City of Warsaw Sickness Fund,
Dental Surgery.



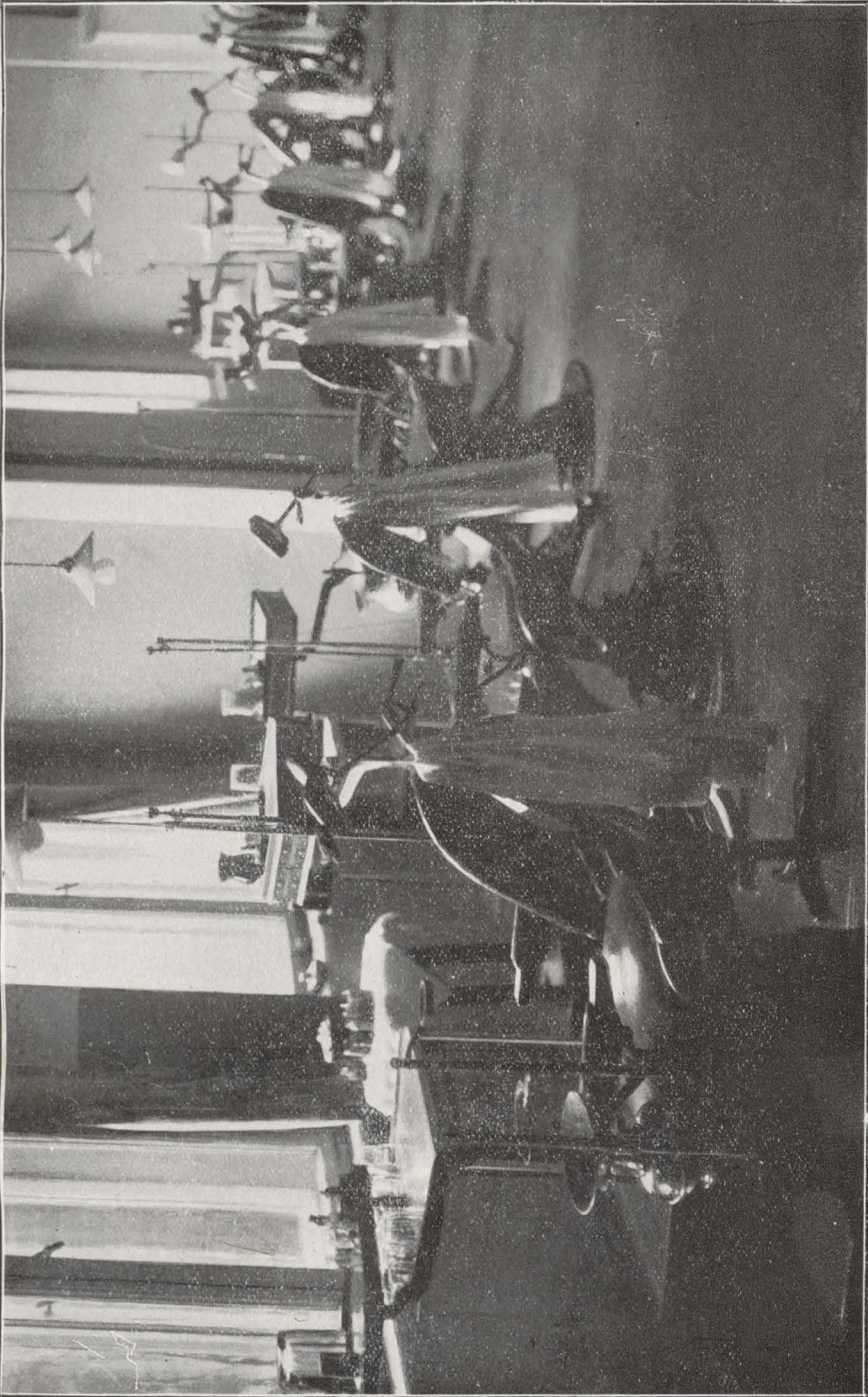
City of Warsaw Sickness Fund.
Analytical laboratory.



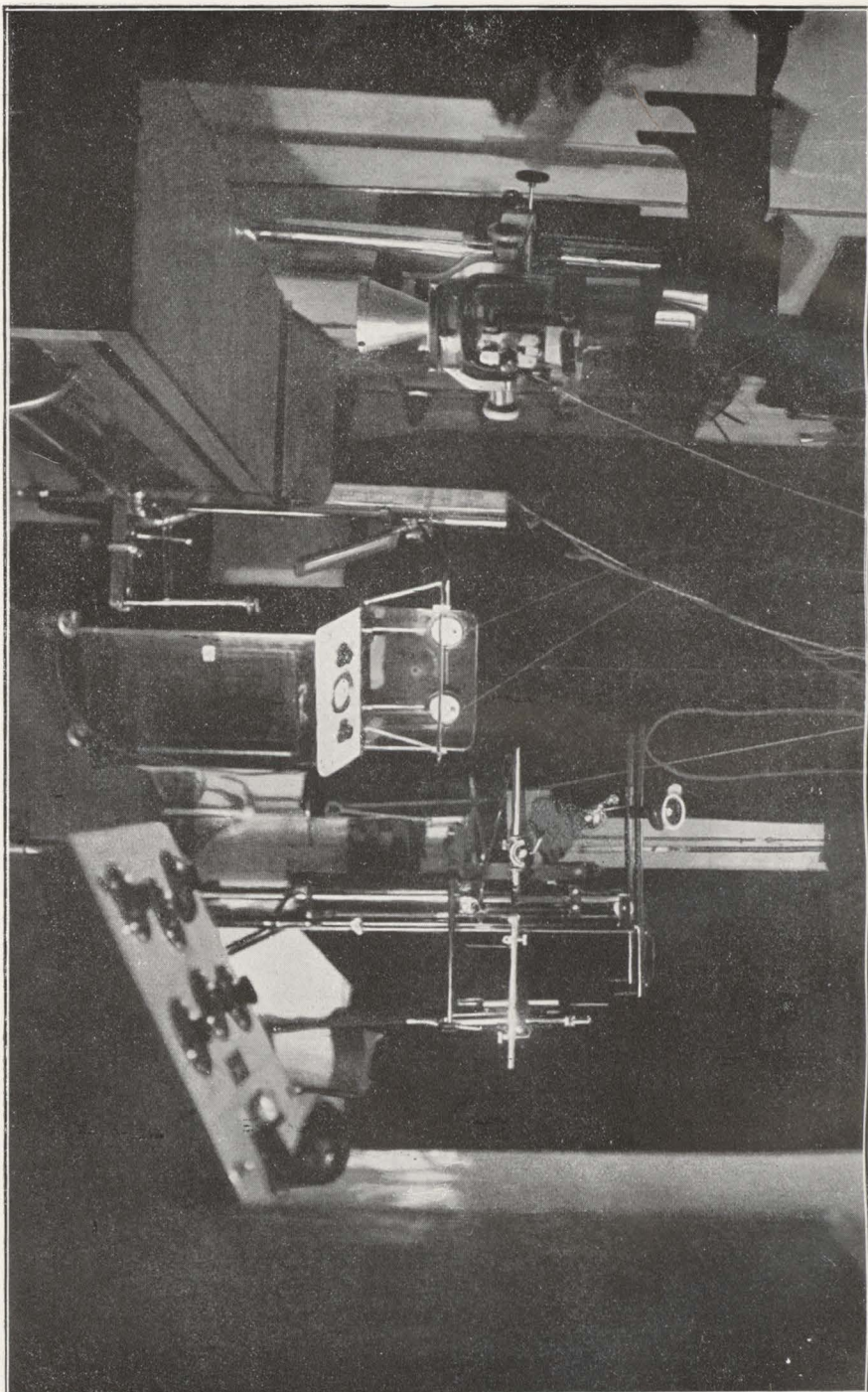
City of Warsaw Sickness Fund,
Motor ambulances.



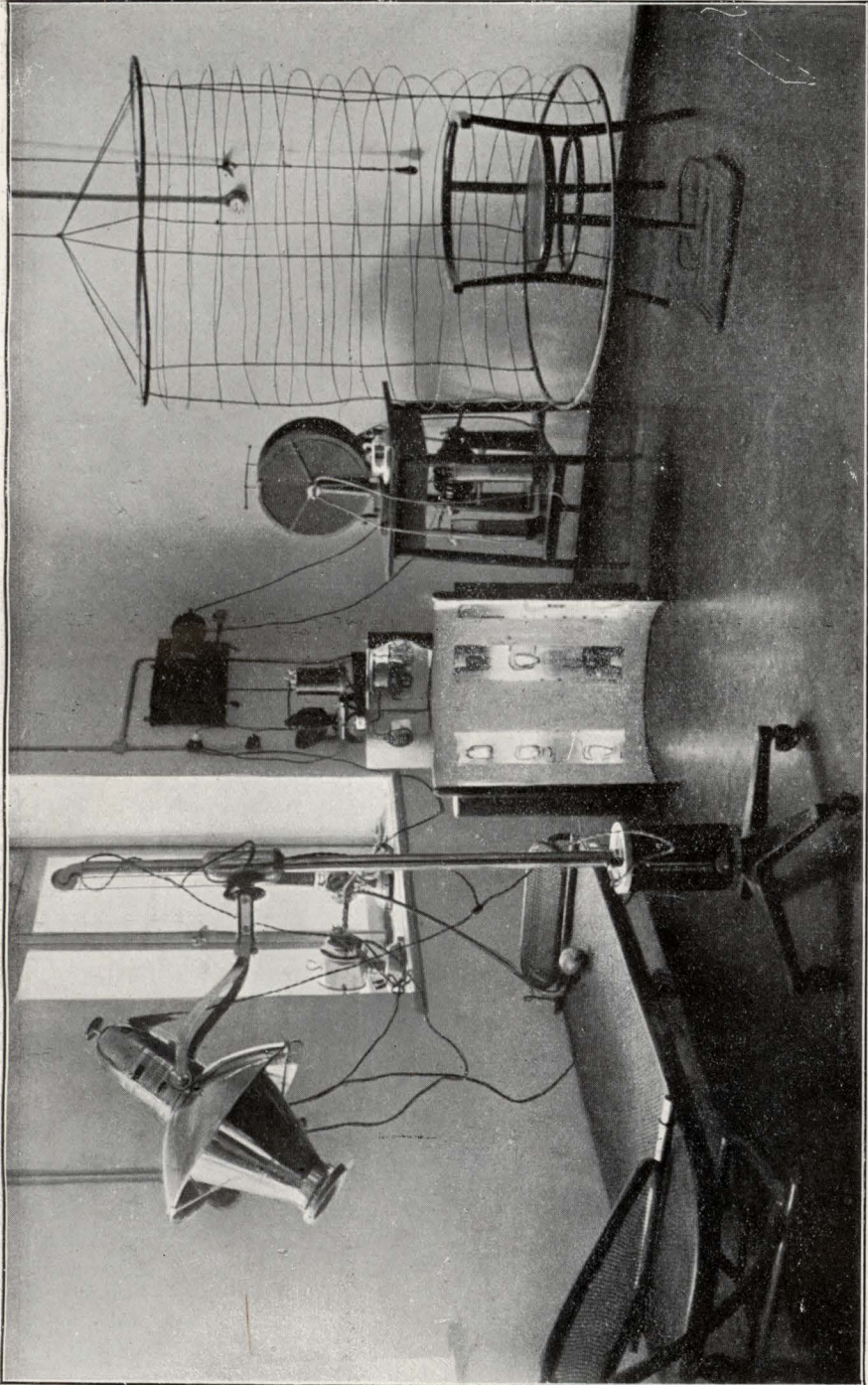
Lodz Sickness Fund.



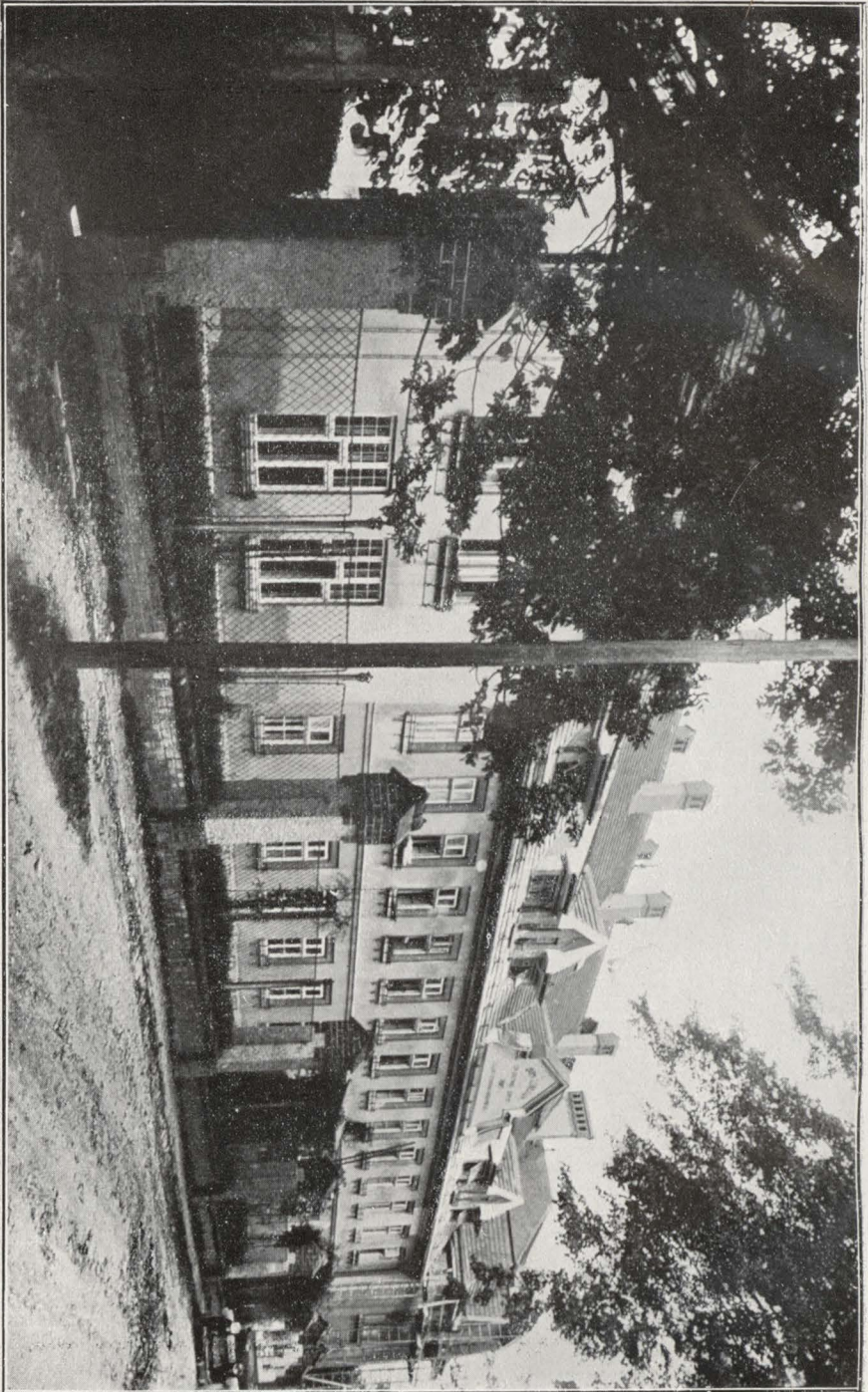
Lodz Sickness Fund.
Dental Surgery.



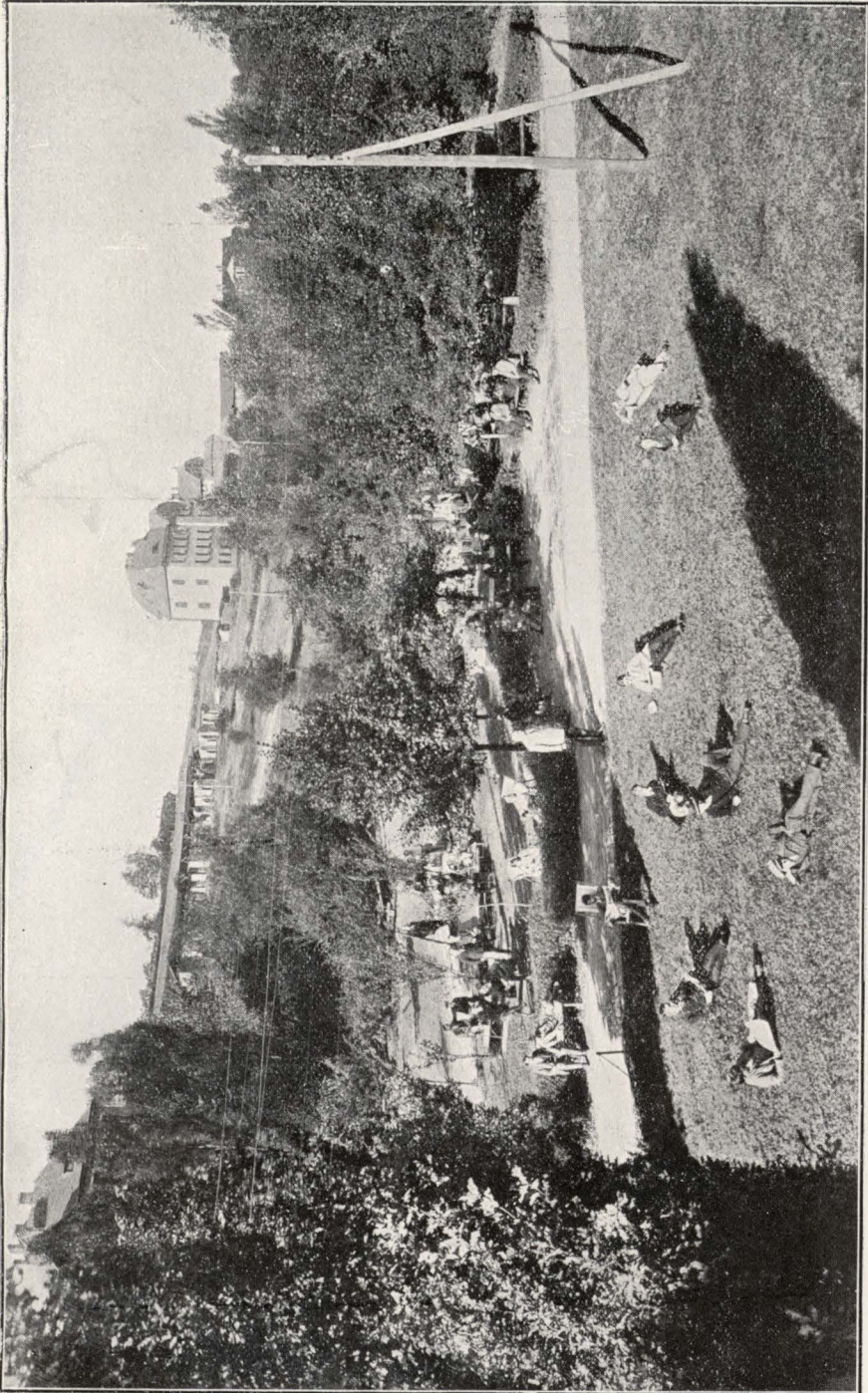
Lodz Sickness Fund.
Radiotherapy instruments.



Lublin Sickness Fund.
Physiotherapy treatment room.



Bystra Sanatorium for pulmonary cases.



Bystra Sanatorium for pulmonary cases.

PROGRESS OF ORGANISATION OF
SICKNESS FUNDS AND PROPORTION
OF BENEFICIARIES TO TOTAL POPU-
LATION ON 1ST JANUARY 1925.



EXPLANATION

FUNDS IN PROCESS OF ORGANISATION.	Symbol
UNDER 10 %	Horizontal lines
10 % - 15 %	Vertical lines
15 % - 30 %	Diagonal lines (top-left to bottom-right)
30 % - 45 %	Diagonal lines (top-right to bottom-left)
45 % - 60 %	Cross-hatch pattern
ABOVE 60 %	Solid black