

SOCIAL INSURANCE

Though Social Insurance of any kind may be said to be still in its infancy in Iceland, some activities have already been commenced in that field.

Old Age Insurance. As early as 1890 relief funds were established in all municipalities and parishes, the object being to give assistance to poor people who by reason of old age were no longer able to provide for themselves. The law prescribed for all domestics and *lausafólk* (i. e. workers, not in service) between 20 and 60 the liability to make small annual contributions to the funds which during the first years were placed at interest. After a time pensions began to be granted to poor persons (over 60) included in the insurance scheme without its involving any civil disabilities for the recipients. But as these pensions were so small as to be of practically no use at all, an act was passed in 1909, under which contribution was made obligatory for all men and women between 18 and 60, the fee payable by each person somewhat raised, and a State grant prescribed for the funds corresponding to the number of those liable to pay. Exempted from paying were those in receipt of poor relief; those who had children or other dependants to provide for; those who were unable to earn wages; and those who were otherwise insured (as e. g. State officials). By a law of 1917 the contribution was increased to two krónur per every male and one króna per every female included in the scheme, while the government grant was fixed at one króna per every person liable to pay. The sums annually distributed are: two-thirds of the premiums paid, one-half of the State grant, and half the interest. Pensions are granted on application to persons over 60 years of age who for the last five years have not been recipients of poor relief and who by reason of old age cannot provide for themselves. Under special circumstances pensions may also be granted to invalids under 60 years of age. The pensions granted range in amount from 20 to 200 krónur.

At the end of 1927 the Old Age Insurance Funds amounted to 1028 thousand krónur; the number of persons covered by the insurance was 45 000, corresponding to about 44 per cent. of the population; the number of pensions granted was some 2500; and the amount distributed, 93 thousand krónur.

Accident Insurance. Accidents are very common in Iceland, especially deaths by drowning among fishermen (see page 16). It is there