

SOCIAL SECURITY

IN

ST. LUCIA

**INFORMATION FOR
PRIMARY SCHOOL STUDENTS**

*Prepared
by
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NATIONAL INSURANCE CORPORATION
CASTRIES, ST. LUCIA
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FOREWORD

This is probably the first time that you will be reading about Social Security and National Insurance. Some of you may have heard your parents discussing or even mentioning the National Insurance Corporation (NIC). We are now giving you the opportunity to learn more about this organization and the great importance it has in the lives of thousands of Saint Lucians.

Some people are of the view that National Insurance benefits only older persons and those who can no longer work. After reading this book you will realize that you and others in your class or your school have benefited or will benefit from the National Insurance.

This book was designed especially for you. It is divided into several sections. There are stories, activities and puzzles, all designed to ensure that you understand the contents of the book.

I endorse this book and hope that you will take the time to read it thoroughly. If you are not clear about anything do not hesitate to ask your teacher to explain or you can call the National Insurance office. You could even share what you have learnt with your parents.

Happy reading

A handwritten signature in black ink, appearing to read 'John Joseph', with a long horizontal flourish extending to the right.

John Joseph
Chairman, National Insurance Board

SECTION 1

SHORT STORY

THE INNOCENTS

Antoine was unhappy, but not as much for himself as for his mother. At least he had a bit of fun on Sundays, after he had spent a few hours working in their garden. He would set traps for the ground doves, or go to the river to catch crayfish, or try to catch a few crabs when the sun had gone down. That he had to do very quickly because the master did not allow them to stay out later than seven o'clock. But his mother had very little leisure time. She worked at a million and one things around the estate house near Anse La Raye. She worked from the time the sun peeped over the hill to the time it drowned in the golden sea. She washed their clothes on Sundays, and left them rinsed but not ironed like the master's clothes. Those she made sure she washed and starched and ironed till they were crisp.

The year when the master had bought the estate was 1865. She had been sorry to change owners so suddenly, but that was how life was in those days. Slavery was not easy. But all was not bad. After all, the master made sure that his two slaves had a bit of saltfish and flour every day. Antoine's mother, Susan, added a few sweet potatoes or yam and ochros from the little plot of ground the master allowed them to cultivate. The crayfish, crabs, eels or birds that Antoine brought home on Sundays was a welcome addition to the menu. Sometimes she baked a little extra loaf of bread and sneaked it away to her hut to surprise Antoine when she baked the master's bread. If she was caught she knew she would be punished, but she loved her son very much. If only they were free!

Antoine was twelve. He loved his mother and hated to see the way she worked every day without a moment's rest. Something in him kept

thinking that it was wrong for someone to work without being paid. He had overheard the master conversing with a visitor one day and the words “emancipation of slavery” had been spoken of, but he did not understand what they meant. When he mentioned it to his mother, she, too, was mystified.

“ And massa laugh when the man ask him if emancipation did not apply to him and his slaves,” Antoine was telling his mother. “ He say his slaves too ignorant to know better. Somehow I must find out what he meant!”

“ But we living behind God back,” Susan said. “ Who will tell us what it mean?”

“ I must walk down to the village one of these days,” Antoine vowed.

“ Antoine,” his mother said. “ You must not speak like that. You know what will happen if they catch you away from the estate. You will be flogged. And my heart couldn’t stand it.”

Antoine started to think of what it meant to be free to leave the estate. What would it mean not to be a slave? To work for pay, to put money aside to do anything one wanted, to buy one’s freedom; but if a person was free he wouldn’t need to buy his freedom! Every night before he fell asleep he thought more deeply about freedom. His mother would be paid for her work. She would put some money aside. When she fell sick and was unable to work she would not be cast aside like a dirty rag as he had heard it done on other estates, but he would be able to care for her with the money she had saved. But what if she didn’t want to put anything aside for a rainy day!? He shuddered and hugged himself as he fell asleep. Perhaps being a slave was not so bad, after all. Massa was always there to take care of you.

One Sunday afternoon Antoine was determined to escape to the village. He would return before anyone noticed he was gone. He waited until his mother had turned in and told her that he was going to fetch some water from the spring. She told him to go very quickly and to be sure to return before dark. He took the large calabash and headed for the forest. He

reached a fork in the road, hid the calabash nearby and took the track that led to the village. About half an hour afterwards he saw a few houses and knew he had arrived. He had been to Anse La Raye once before with his mother.



He walked to the seaside and watched the sun setting. There were many children playing on the beach and he wondered how their masters allowed them to be so free. He saw a man leaning against a tree. He was smoking a pipe. Antoine walked up to him.

“Good afternoon, the Mister,” he said.

“Good afternoon, Sonny,” the man replied.

“I was wondering if you could help me,” Antoine said. “My master was telling...”

“Your master!?” the man interrupted him. “Boy, slavery has been

emancipated for years! Your master!?”

There it is again, Antoine thought; that word, ‘emancipated’.

“What does it mean, ‘emancipated’?” he asked the man.

“What does it mean?” the man laughed. “It means we are free, Boy. Free.”

“Free?” Antoine blurted. “When?”

“It’s been quite a few years now. Longer than you’ve been born, anyhow.”

He tricked us, Antoine thought. He tricked my mother and he tricked me. Even the other master tricked her too. He felt angry. He felt he had been cheated. His whole life had been a lie.

The man looked at him thoughtfully.

“Are you all right, Sonny?” he asked.

“Yes, yes I am,” Antoine said with a sad smile, suddenly much older than his twelve years. “Thank you very much. I have to go now. The man who claims to be my master has a lot of explaining to do.”

As he turned away, the sun sunk in the sea of gold, ending his last day as a slave.

THE END



SECTION 2

ACTIVITIES FOR STUDENTS

- Write a dialogue between Antoine and his master when he confronts him.
- Write a dialogue between Antoine and his mother when he returns home and she finds out where he has been.
- Why was education so important to Antoine? (Discuss)
- What did not knowing her rights mean to Antoine's mother? (Discuss)
- What are your thoughts about compensation in this situation? (Discuss)
- Find out the date of the emancipation of slavery and calculate how long Antoine's mother had been fooled. (Discuss)
- What should modern day workers do to avoid being fooled? (Discuss)

SECTION 3

SHORT HISTORY

After the emancipation of slavery, Saint Lucians worked for about eight years on the same estates before they were allowed to be completely free. They started to work for pay, although most of what they earned went right back to the estate owners who ran little shops and gave the former slaves credit for foodstuffs. Every payday, when they had paid what they owed to the estate-owners, what they had left was next to nothing. Many people thought that their lot was worse than when they were slaves. Most of them owned no land. Only those who had been able to buy their freedom beforehand made any headway. Some of them who had skills were able to hire themselves out for higher pay. People like wheelwrights, blacksmiths, tanners and coopers were in demand, so they made a better living. Wheelwrights made and repaired the wheels of carriages. Blacksmiths worked in metals, heating them in forges and making different tools and horseshoes. Tanners worked in making the skins of cattle into leather. Coopers fashioned barrels that were used to export sugar and rum.



Life continued like that, largely unchanged from 1834 until the 1930's when workers' rights began to be considered. Trade union representatives began to demand better conditions of work for their members. Many employers did not want their workers to belong to unions, and union workers were looked upon as troublemakers. At that time you could not vote unless you had property or a certain sum of money. Most people were therefore unable to vote. In 1951 something called universal adult suffrage from the United Nations allowed all adults over twenty-one to vote. Saint Lucians could then choose persons to represent them. Many of the persons who had been their representatives in the trade unions became their representatives on the different councils. That was before St. Lucia had its own independent government. As a colony of Britain, Saint Lucia had very little power. Before long a Chief Minister was elected along with a few other ministers. Gradually Britain allowed more power to be controlled by the local politicians and political parties were formed.

Long before Saint Lucia gained part independence in what was called Statehood, the idea that workers needed to have security for the days when they would not be able to work anymore came up. If preparations were not made for workers' retirement, then the government would have a big problem. They would have to care for a great many workers who could no longer earn money. Persons who had gone to work in Britain and other islands like Curacao during the periods of emigration had seen the way workers were made to put money aside so that later they would be able to enjoy the same standard of life. It was called a Social Security system.

Before the system was fully developed here, the British government suggested that a Provident Fund be started as it was a necessary first step towards a Social Security system. They would assist in starting it. In 1970 the National Provident Fund was started and by 1973 about 50,000 persons had been registered. But before it was started there was a great deal of opposition to it. There was a lot of debate where persons for and against put forward their arguments.

Some said that it did not go far enough, and wanted it to care for those who did not work as well as those who did. Others thought that the wages people earned were too low and they could not remove anything from them yet alone as much as five percent. Nevertheless, the Bill was passed and a good foundation was set for the National Insurance Scheme.

A report on Social Security was prepared by Mr. Francis Compton, the Director. This report was sent to the International Labour Organization (ILO) in Switzerland and was accepted. The United Nations sent an expert called an actuary to advise the government. His name was Mr. Charles E. Clarke. He came in 1975 and completed his report in 1976. During that time the National Insurance Act was drafted so that it would become law. The only one with the authority to change the Act is the Minister, and he is entitled to do so only after actuarial review. All changes to the National Insurance Act must be ratified by Parliament. Should the actuary (*Insurance statistics expert*) find that the age of retirement is likely to cause a problem for the payment of funds in the future, he could recommend that a change in the age of retirement be made.

Mr. Parry J Husbands did a great deal of the legal work as Senior Crown Counsel, advising Mr. Francis Compton. The National Insurance Act became law just before Saint Lucia was granted independence. The National Insurance Scheme was born on April 1st., 1979.

Things to remember:



- 1. The Provident Fund was established as a first step towards a Social Security system.**
- 2. After emancipation former slaves worked for about eight years on the estates without being paid wages.**
- 3. Trade Unions were the first organizations formed to assert the rights of workers.**
- 4. Only Parliament can change the National Insurance Act.**

SECTION 4

ACTIVITIES FOR STUDENTS

1. Find out what you can about *Universal Adult Suffrage*.
2. Find out what you can about the *Suffrage* (Research and discuss)
3. Find out what you can about Trade Unions in St. Lucia.
4. The airport at Vigie is named after George F.L. Charles. Find out all you can about him.



SECTION 5

PROVIDENT FUND AND SOCIAL SECURITY

Every person, no matter what his position, faces three main risks in life – sickness and / or disability, old age and death. Of these three, death must come and old age looks more and more probable for most people because of modern medical practice. People are living longer. Providing pension benefits that to some extent would replace income (or earned money) lost when no longer working, is one of the ways of solving the problem. Older persons who no longer work, and children and widows left by workers who die, are part of the non-productive group of citizens that are the responsibility of governments.

Personal savings, whether compulsory or not, are usually not enough to take care of the three risks. The putting together of all moneys saved in the provident fund, or “pooling of risks” of numerous persons is another way of looking at insurance. It is considered a better way of dealing with the risks. In real life most of us do not save as we ought to. The Government of St. Lucia has responded to this fact with the introduction of National Insurance . The government would be expected to determine the exact amounts saved and the interest earned by investing such moneys in the National Insurance Scheme. The system works with the matching of moneys contributed by Employers and employees. Government contributes as an employer. An area of study in Insurance called actuarial science is used by experts to make calculations that will help government determine:

- (a) the rate (percentage) of contributions collected from Insured Persons;
- (b) other social, economic and *demographic* conditions (like rates of birth and death).

The distribution of what it costs among the insured population would result in a collective sharing of the risks. The collective accumulation

(or putting together) of funds would then be enough to enable pensions to be paid during periods that are not exactly known, except for the fact that they are unproductive. The success of such a scheme would be based on the fact that because of the difference in people's ages, everyone would not require pensions at the same time. Also, everyone does not get sick or have accidents at the same time, and everyone does not die at the same time. So although everyone contributes, moneys are paid to persons who need it at different times.

WHAT IS NATIONAL INSURANCE?

National Insurance is a system whereby employees contribute a percentage of their earnings, matched by an equal amount by employers, and receive benefits when they are unable to earn income, through illness, maternity, or employment injury. It is based on the philosophy (*thinking*) of the pooling of risks.

In April 1979, Act of Parliament, No. 10 of 1978, saw the evolution of the National Insurance Scheme. In September 2002 the New Act came into force. The name of the NIS was changed to The National Insurance Corporation. With the National Insurance Regulations, they form the legal basis on which the system operates.

The National Insurance Scheme had replaced the Provident Fund which started in October 1970. Although similar in many ways, the differences have come about out of the need to improve the services provided to the contributor. With National Insurance both long and short-term benefits are available.

Under the Provident Fund only long-term benefits were available and were paid in one (1) lump sum:

- Age Benefit** - paid when contributor reached 60
- Invalidity Benefit** - paid to persons who are permanently disabled
- Survivor Benefit** - paid to named beneficiary upon death of contributor.

With National Insurance, short-term benefits were introduced in addition to those offered under the Provident Fund Scheme:

- Sickness Benefit
- Maternity Benefit and Grant
- Employment Injury Benefit

There are two (2) main differences between the Provident Fund and National Insurance:

1. long term benefits are now paid as pensions.
2. if a contributor has not made sufficient contributions to qualify for a pension, then he/she will be paid a grant.

Things to remember:



-
1. **The Provident Fund was started in 1970. and the National Insurance Scheme was started in 1979.**
 2. **Everyone (formal or informal) should pay.**
 3. **Under the Provident Fund, only lump sum payments were made.**
 4. **Under the National Insurance, in addition to the short term benefits, long term benefits are paid as pensions.**

SECTION 6

ACTIVITIES FOR STUDENTS

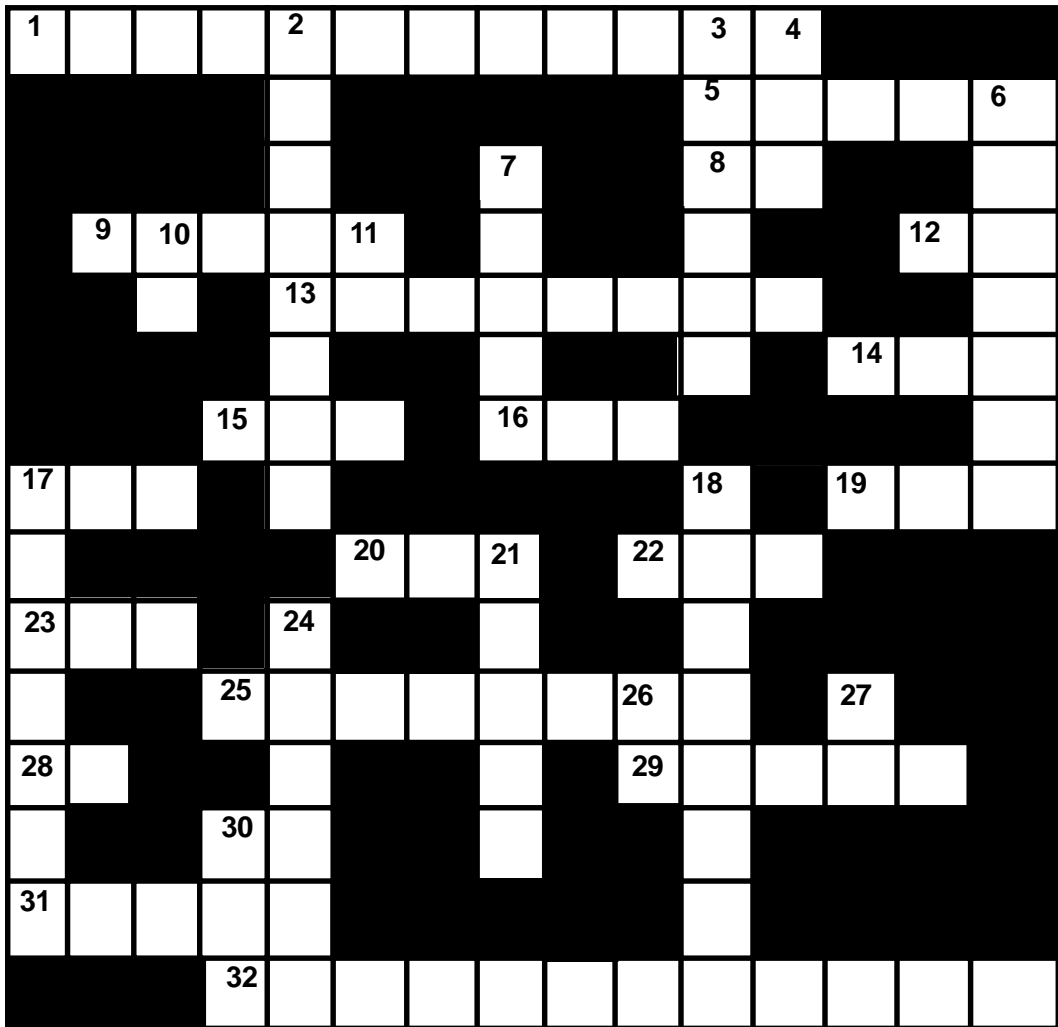
1. What can you find out about the I.L.O.(International Labour Organization)? *Research and discuss.*
2. Look up the meanings of unfamiliar words.
3. If a worker earns two thousand five hundred dollars a month calculate the total amount of money that must be sent to the NIC by his employer.

Do this twenty-two WORD FIND exercise:

C	L	O	T	H	E	S	P	R	U	N	E
O	O	P	P	O	R	T	U	N	I	T	Y
N	I	M	O	S	P	R	I	O	U	T	I
F	L	U	P	T	Z	I	V	P	E	X	E
R	R	R	S	E	M	P	L	O	Y	E	R
O	S	N	O	I	N	S	U	R	E	D	D
N	I	R	T	O	D	S	A	L	A	R	Y
T	C	P	S	R	U	T	A	L	A	R	M
P	M	A	T	E	R	N	I	T	Y	S	P
O	O	S	P	T	S	R	V	O	I	S	L
G	T	R	O	I	E	U	P	X	T	O	A
N	I	L	U	R	C	H	S	E	L	T	N
U	P	R	M	E	M	O	R	I	Z	E	T

LIST OF WORDS: clothes, prune, opportunity, insured, salary, rut, alarm, maternity, lurch, memorize, gnu, confront, retire, plant, sot, urn, pop, host, strip, plot, compensation, employer.

Are you brave enough to attempt this CROSSWORD?



ACROSS

1. What an insurance company pays out
5. To give in
8. Hitler's secret police
9. Several guns fired together
12. Egyptian god
13. Boss of workers
14. To enter information into N.I. C. computer
15. Past tense of eat
16. To keep quiet about something
17. Amount of money paid
19. A worker can be forced to take a pay...
20. Moneylender in Middle ages
22. Old way of saying yes in House of Assembly
23. Away from the wind
25. Gunfight
28. Commanding Officer
29. Knowledge of great price
30. Shortened form of Senior
31. Room at the top
32. Religion started by Christ's followers

DOWN

2. At the latest possible hour
3. Open it to find a pearl of wisdom from NIC
4. National Insurance Scheme
6. english....beer
7. famous town of witches
10. Alcoholic anonymous
11. Buddhist mantra
17. Our island home
18. Non-stop laughter
21. Gold chronometer usually given at worker's retirement
24. Place of worship
26. Opposite of down
27. Either...
30. Showing you recognize a writer's error in spelling in a quotation

SECTION 7

BENEFITS

Part five of the National Insurance Act contains the ‘meat’ of the Act, and sets out the provisions for the various Benefits to be dealt with. Benefits provided for are as follows:

(a) SICKNESS BENEFIT

This provision is for the maintenance of income (*receiving money*) during periods when employees are ill.

(b) INVALIDITY BENEFIT

This provides for persons who have become permanent invalids (*people who are unable to move freely*).

(c) MATERNITY BENEFIT

made up of

- (i) maternity grant
- (ii) maternity allowance

(d) HOSPITALISATION and MEDICAL TREATMENT

(e) SURVIVORS BENEFIT

including

- (i) widow’s allowance
- (ii) widow’s pension
- (iii) survivor’s grant

(f) RETIREMENT BENEFIT

including

- (i) retirement grant
- (ii) retirement pension

(g) FUNERAL GRANT

(h) EMPLOYMENT INJURY BENEFIT

including
DISABLEMENT BENEFIT

WHO BENEFITS?

Both employer and employee benefit from the National Insurance Corporation.

How Do They Benefit?

Employers are relieved from the full burden of payment to employees who are unable to work either from sickness, employment injury or maternity, while also paying the wages of a replacement worker for the same period.

This is done provided that the employer and employee made regular contributions to the NIC for eligibility.

National Insurance also meets part of the wages of that worker who is unable to work for the reasons outlined above.

SICKNESS BENEFIT

The Sickness Benefit is an allowance paid to an insured person who is unable to work for a short time due to illness.

Eligibility *(to qualify for this benefit)*

A person must:

- be unable to work because of illness.

- been in insurable employment at the time that the illness took place.
- have contributed for at least six(6) months of which at least two(2) must be of the last four(4) months before the month of illness.
- have a medical certificate of his/her illness by a doctor or other medical practitioner (*person who practices other aspects of Medicine.*)

Benefits

Once qualified, it is paid for a **maximum** of 26 weeks of continuous illness. No benefit is paid for the first three (3) days of absence.

INVALIDITY BENEFIT

The Invalidity Benefit is payable to a person who is unable to work as a result of a specific disease or disablement (bodily or emotional) which is likely to remain permanent.

Eligibility

A person must:

- be an invalid other than as a result of Employment Injury.
- have paid at least 60 months of contributions to the National Insurance Corporation of which 36 must be consecutive immediately preceding the month of invalidity, that is, three years of unbroken payments just before the month he/she became an invalid.
- **not** be in receipt of Sickness Benefits.
- have made at least 120 months of contributions.

Or

- A grant is paid once the contributor does not qualify for the pension.

MATERNITY BENEFIT



The Maternity Benefit is designed to provide a measure of financial relief to insured women while on maternity leave.

Eligibility

A person must:

- have contributed at least seven (7) months in the last ten (10) months before the month when the baby is born.
- be certified as being pregnant by a doctor/registered midwife.

Benefits

It is made up of:

- a monthly allowance which is paid for three(3) months
- **ONLY IF EARNINGS ARE LOST.**
- a grant which is paid whether earnings are lost or not.

SHORT STORY

MAMA

She was very young, had only been working for a year to save money for her to go to school abroad, and was shocked when she had learnt what she had that morning. She could not believe it. Why was she going to have a baby at her age? Didn't she know the risks it entailed? The child could be mongoloid! That was the greatest risk for people her age. Hadn't she lived a full life, bringing five children into the world? Her mother's pregnancy changed everything. The money Gloria had saved for her schooling would have to go towards buying the things the baby would need.

Her father had been out of work a long time, and had never contributed to the NIS. He had recently taken ill. Now only Gloria and her mother were the breadwinners. Her mother had been working as a servant in the town, and had made sure that the lady paid her NIS for her. What she contributed was not much, because helpers were not paid big wages. The little money that was left went towards buying the things the family needed. Gloria was the eldest, and the other four were still at school. This baby was really going to cause problems.

Gloria's mother, however, was not worried. She said that every baby is God's gift to the world, and if God was sending this one, he had to have a plan to take care of him. She continued her work in town, taking the bus every morning and returning to Babonneau in the evening. Gloria felt embarrassed when her mother started to show and didn't like to be seen with her.

The time passed quickly and after a while her mother had to stop work. The doctor told her that she had to be on bed rest. The lady said that she had heard the NIS would pay something to contributors who were about to have a baby.

Gloria told her mother that she would check the details for her. She wrote down her mother's NIS number and during her lunch break she hurried to the office. She explained the situation and was given all the information her mother would need. Her mother, she learnt, was entitled to three months leave, a maternity allowance, and a grant of \$600 for the baby. She would be given a letter to take to the hospital explaining that she didn't have to pay anything if she was an inpatient. All she would need was a form from the NIC to take to her doctor, her employer, and later, the nurse at the hospital. When she got home to her mother she was all in smiles. It seemed that her mother was right, after all. God had a plan, all right. All was not lost. The baby would not be the problem she thought, and she would be able to keep her money for school. She began to think of the gifts she would buy her little brother or sister. If her mother had twins, the grant paid \$600 for each baby! She decided that she would have to talk to her employer about her NIS contributions, just to ensure that they were reaching the NIC on time.

THE END



SURVIVORS BENEFIT

What Are Survivors' Benefits?

The Survivors' Benefit provides some financial support to the surviving spouse and /or dependents of an insured person.

Eligibility

To receive benefits, the person who died must:

- have been a regular contributor at the time of death
- have been receiving , or was eligible to receive other long-term pensions (retirement/invalidity).

Benefits

The benefits consist of:

- 75% of what would have been the monthly retirement/invalidity pension of the person who has died, that is paid to a dependent spouse if there are no dependent children.
Or
- 50% of what would have been the deceased's retirement/ invalidity grant that is payable to the spouse and 50% that is payable to the dependent children.

AGE BENEFIT

Any insured employee is entitled to an Age Benefit which can either be paid as a monthly allowance or a grant.

Eligibility

A person must have:

- attained the age of at least 60.

- contributed for a minimum of 144 months.
- effectively retired from gainful employment.

Benefit

The benefit consists of:

- a monthly pension which is paid when the insured person has satisfied the requirements.
- a grant which is paid when the person has not satisfied the minimum contribution requirements for a pension.

SHORT STORY

OLD JN.PIERRE

Old Jn.Pierre was not always old. He remembered how strong he was on the first plantation he had worked on. He was fifteen, and was apprenticed to the man who was in charge of the boiler house. He was an old, grizzly slave by the name of Charle, who taught him all he knew about stoking the fire to boil the cane juice that was to become sugar. They collected the logs of wood from all over the countryside and stored them until the harvest was over. While the other slaves toiled in the cane fields they roamed around and were happy to enjoy a small amount of freedom. They never thought of running away.

After the canes had been collected and crushed, the hot work began. The teaches into which the juice was poured for the first boiling were the largest, and the fire the hottest. Gradually the size of the big containers decreased in size, and so did the temperature of the fires. You had to know how much fuel to use for each fire, whether it was wood that was used, of the dried trash from the crushed canes called bagasse. By the time Charle had died and left the work to Jn.Pierre, he had become an expert.

The slave master respected him, it seemed, and for many years he lived without minding his condition too much. Twelve years later the change came. His master decided to sell the plantation. The slaves were sold along with everything else; donkeys, cows, houses, and land. Jn. Pierre was a little sad, because he had liked his previous master. The new one didn't seem to like his slaves and treated them badly. It was during that period of his life that the pains had started. The work in the boiler house was so hot that his hands started to hurt. He did not let anyone know because he did not want them to change his work. The overseer kept mentioning that he was getting slow.

Then another change came. It was called emancipation. Jn. Pierre continued to work for the same plantation until after the apprenticeship period and he started to earn wages. He was about fifty eight when slavery was abolished. His hands were beginning to hurt terribly and he couldn't manage the axe as well as before, but his expertise at the fire still kept him in his work. He went to the owner and told him that he was getting old and needed to do lighter work. The owner said that since he was so important to the estate, he would put something aside for him so that in his old age he would not be left destitute. Old Jn. Pierre was happy. Then a couple of years later the owner died suddenly and his children, who lived in France, were not interested in continuing work on the estate. They sold it. Jn. Pierre went to the new owner, but he was told that he couldn't expect any such agreement to be kept.



Jn. Pierre was now over seventy five. He was still reasonably strong, but his hands hurt a lot, especially when it rained. The new owner told him that he couldn't work fast enough and asked him not to return to work. Jn. Pierre didn't know what to do. He lived in a little hut near the estate which belonged to the overseer. Fortunately, the overseer was a good man, and did not charge him rent. He also allowed Jn. Pierre to come around the estate during harvest time to do little odd jobs. Jn. Pierre lived that way for a few more years, then he became sick. The little money he had barely been able to save was soon gone in paying the doctor and buying medicines. Jn. Pierre died at the age of eighty.

THE END

EMPLOYMENT INJURY

What Are Employment Injury Benefits?

Employment Injury Benefits are designed to provide a measure of financial relief to insured persons who are unable to work due to a work related disease or disablement.

Eligibility

To qualify, the employee must:

- have a Medical Certificate proving that he/she is unable to work due to disease or disablement.
- not be receiving wages during the period of time when he/she is getting well.

Benefit

The benefit is calculated at 65% of your insurable earnings. It is paid weekly for a maximum of 52 weeks.

However

- person can be disqualified from receiving benefits if:
- he cannot work because of his own negligence (own fault) or misconduct (deliberate action).
 - he refuses to see a doctor.
 - he engages in behaviour that will prevent him from getting better.
 - he already receives full wages from an employer during his absence from work.

Things to remember:



1. To be eligible(qualified) for different benefits a person must meet the criteria(conditions).
2. Both the employee and employer benefit.
3. To be qualified, the injury must not have been through the worker's own fault.

FUNERAL GRANT

A Funeral Grant is paid when an insured person dies. It is paid to the person who has met, or is likely to meet the funeral expenses.

Qualifying conditions

A funeral grant will be paid if the deceased person:

- has satisfied the qualifying conditions for any benefit.
- had paid at least six months contributions in the twelve months before his/her death.

- has paid contributions equal to the amount of the funeral grant.
- The grant is paid as soon as a death certificate, a receipt or an invoice from the funeral home and a claim for Funeral Grant is presented to the office.
- A contributor can claim for a dependent spouse (husband/wife), or child who dies, even if the deceased was not a contributor.

SHORT STORY

MOURNING

Daniel was a good worker. He came to work early every day and where most of the other workers looked closely at the clock when it was close to four in the afternoon, he sometimes stayed late in the factory. He had won best worker of the month twice. His wife was happy that he was so dedicated to his work, and his two children were proud of their father.

When his six year old son became suddenly ill, Daniel and his wife, Sophia, tried their best to make him well. They took him to the best doctors and paid for many tests. Little Tommy, however, did not seem to belong to this world. The doctors couldn't find out what was wrong with him and he died after a short stay at the hospital.

Daniel and his family were shocked. It was so sudden. Daniel had spent a big part of his savings on the tests that Tommy had had to take. He grieved for his son and as he made the preparations for the funeral he realized that he was not aware that it was going to be so expensive.

"It's a good thing you paying NIS," Sophia told him. "I hear they have a Funeral Grant for relatives."

"Yes," Daniel said. "I will pay for the expenses myself and when everything is over I will go to the NIS."

It was a terrible time for the family but they came through it because of the love and support of each other. Daniel took a couple of days

off. When he went to the NIS office he got a rather unpleasant surprise. They could not find any trace of payments made by his employer, nor any of his contributions to the NIS.

“But he has been deducting money from my salary every month!” Daniel argued.

“Did you ever check with him to make sure?” the clerk asked.

“N-no,” Daniel said, suddenly feeling a weakness in the pit of his stomach.

“But he’s the boss and I thought...”

“It’s always wise to check up and see what’s going on,” he was told.

Daniel hurried to the office and asked the secretary to see the manager. She told him that he was very busy as he had to attend an important meeting abroad that afternoon. He would see Daniel as soon as he returned the following week.

The next week came and the manager did not appear. Daniel, who had kept the whole thing to himself, told a few of his fellow workers in the factory. They hurried to the NIS and most of them came back very hurt and angry. It turned out that the manager had been sending in some contributions but was keeping many for himself. When he knew he was about to be discovered at the death of Daniel’s son, he had quickly run away. The owner of the factory was very apologetic and gave some money to Daniel after the NIS inspector came in to investigate. He made sure that the C3 form was properly filed every month from then. As for Daniel, he made sure that he kept a check on what was going on by calling the NIC every now and then.

THE END

THINGS TO REMEMBER



- 1. There is a time limit of 6 months within which the funeral grant is to be claimed.**
- 2. Check the NIC periodically to see that contributions are paid by employer.**



SECTION 8

HOW DOES THE SYSTEM WORK?

REGISTRATION

When does one register?

You may register as soon as you have reached the age of 16 years. You must present your birth certificate or passport upon registering.

What is the Registration Number?

This number is your permanent identification. It **never changes** and

and is **never** reissued. It must be quoted on all correspondence between you and the National Insurance Office.

What are one's contributions?

Your contributions are 5% of your gross wages. Your employer pays the other 5%. (This can change at the discretion of the Parliament)

What are Gross Wages?

In addition to your salary, gross wages include the following:

- Overtime pay.
- Cost of living allowance.
- Commission on profit/sales.
- Payment on account of night/shift work.
- Service charge.
- Holiday pay.



Christmas bonuses, annual production bonuses, severance payments and terminal gratuities are NOT considered wages and will not attract National Insurance deductions.

How are Contributions paid?

Contributions are to be submitted by employers to the National Insurance Office with the C3 form provided for that purpose.

What Is The C3 Form?

The C3 Form is sent monthly to employers by the National Insurance. The form will have the employer's name, address and registration number.

It also bears the details of employees working at the date the last returns were submitted. The employer must erase the names of persons no longer employed and add names of any new employees.

Figures reflecting both employer and employee contributions must also be entered.

The figures entered are totaled and must agree with the contributions paid for that month to which the form refers.

All returns must be submitted either by mail or to the National Insurance office.

Who is The Inspector?

An Inspector is an officer of the National Insurance Corporation appointed to act as the agent of the National Insurance Corporation. He can easily be identified by the identification card issued by the National Insurance office.

What Does The Inspector Do?

The Inspector:

- acts as a link between the employer and the National Insurance Corporation
- assists the employer with interpretations of, or compliance with the Act and regulations where required/requested
- investigates all claims for employment injury, survivors and invalidity benefits
- investigates cases where there is need to verify a benefit.
- examines the wage records of employers

What Are The Rights Of The Inspector?

Inspectors have the legal right to:

- enter a premises at all reasonable hours where he thinks that there is employment taking place.
- examine the wage records of an employer.

What Are Zones?

The National Insurance Corporation has divided St. Lucia into manageable areas to which an individual inspector is assigned.

Things to remember:



- 1. The worker contributes a sum that is exactly matched by the employer.**
- 2. You may register with the National Insurance Corporation as soon as you are sixteen (16) years of age.**
- 3. Your registration number is permanent. It never changes.**
- 4. You should register only once.**

SECTION 9

ACTIVITIES FOR STUDENTS

1. Pretend that you are an inspector in 1865, and an N.I.C. was already existing. You go to the estate near Anse La Raye where Antoine's mother was working. Write a dialogue between you and the master.
2. Practice the parts and act it out as a short play.
3. Go to the National Insurance Corporation Office near where you live and ask about how compensations are paid. When you return, get ready to act in short skits where students each play the part of:
 - a member of staff of the N.I.C. encouraging a farmer to contribute to the NIC
 - a widow with five young children
 - a worker who has broken both his legs at work
 - a pregnant worker who is about to give birth
 - a worker who falls ill with a stroke
 - a man who has reached the age of sixty.
 - an employer being questioned by a worker about the 5% deduction/contribution for N.I.C.
 - a student advising a parent to contribute to NIC for their helper at home
 - a sixteen year old who is just about to start working
 - a man who owns a wayside garage and doesn't see why he should be contributing to NIC
 - a minibus driver who is determined to put all his money in the bank and not contribute to NIC.

SECTION 10

THE CARIBBEAN SINGLE MARKET & ECONOMY (CSME)

VERY SHORT STORY

ALL'S WELL THAT ENDS WELL



Once upon a time there was a family that was made up of a father who was a judge, a mother who was a nurse, and three children. The father was born in St. Kitts, the mother in Nevis, and each child was born in St. Vincent, Grenada, and St. Lucia respectively. You see, the parents had to relocate every time the father was sent to sit on the bench in a different island. He worked for a few years in each island.

As he grew older, the judge became worried that at his retirement he would lose out on his benefits. He was aware that many workers who had emigrated to another island would not be able to take their benefits with them, and they lost a lot of money and left their families exposed to uncertainties and risks.

He was very pleased when the Social Security Reciprocal Agreement came into effect. It meant that no matter what island in CARICOM a person worked, his Social Security benefits could be transferred. This agreement is an important ingredient in ensuring the birth of the CSME which would remove borders and barriers and allow the free movement of workers. There would be no Customs Duty to be paid within the CARICOM region. That was the first step in other kinds of unity. “Who knows?” thought the judge. “By the time I retire we may all be

one country and my children will belong to one country, The Caribbean, with one monetary currency.”

THE END



APPENDIX

DIRECTORS

The National Insurance Corporation has had only two Directors to date. They are the current Director Ms. Emma Hippolyte and Mr. Francis Compton who is now retired.

Emma Hippolyte was born in Soufriere, St Lucia, the 5th of a family of 12 children. Her early education was undertaken in Soufriere after which she went on to the then Morne Fortune Technical College from which she graduated with a Diploma qualifying her to be an Executive Secretary. After serving in that capacity for two years with Nor Consultants and Peat Marwick Mitchell & Co., she saw and took advantage of the opportunity to change her profession from the Secretarial to the Accounting field, and began studies leading to the Certified General Accountant (CGA) of Canada which she obtained in 1984.



Ms. Emma Hippolyte

Over the years of her career, Miss Hippolyte has held a variety of high-level positions at both the local and international levels. She moved from Internal Auditor, General Manager (Administration) and Chief Inspector with the National Commercial Bank (now Bank of Saint Lucia) to Director of Audit with the Government of St Lucia. She left for Rome to take up an International post as Senior Auditor with the Food and Agriculture Organisation (FAO).

In July 1998 Miss Hippolyte returned home to head the National Insurance Scheme as Director - the first woman to fill that position. Miss Hippolyte is Founder and Patron of the Concerned Citizens for Deprived Children, a charitable organization based in Soufriere, and a member of the Toastmasters Club and a Certified Fraud Examiner.

Mr. Francis Compton attended the St. Mary's College and between 1960 and 1969 he studied at North Western Polytechnic in the United Kingdom in areas such as Company Law, Mercantile Law Administration, Accountancy, Economics, Psychology, Business Administration, etc. He also pursued studies in the use of audio-visual aids techniques for teaching methods at the South London Polytechnic.



Mr. Francis Compton

Mr. Compton attended a 6-month fellowship in Social Security Law and Administration in the United Kingdom and Canada and did further Social Security Training in USA, Geneva and Mexico. His education also included a one school year study programme at the U.W.I., Barbados; studied constitutional law legal systems in the Caribbean, politics, and sociology.

Mr. Compton worked within the Government Treasury and the Ministry of Finance with emphasis on finance and budgeting.

During the period 1970 and 1997 he served as Director, National Provident Fund/National Insurance. He was responsible for designing and developing the Social Insurance programme for St. Lucia, including preparing a feasibility study for presentation to ILO for technical assistance, employment and training of staff, establishing administrative and accounting procedures and systems, drafting appropriate legislation, including regulations.

His literacy contributions include:

- a. Social Security Proposals for St. Lucia
- b. Our Social Security- an explanatory booklet on Social Security in St. Lucia.
- c. A Synthesis of the Social Security Legislation for St. Lucia- prepared for and published by the Organization of American States.
- d. Public Relations in Social Security-published by international Social Security Association (ISSA).

He has also produced several unpublished documents including:

- a. A short history of the social security programme in St. Lucia.
- b. The development of the Civil Service in the Caribbean.
- c. In defense of the democratic constitutions of the Caribbean.
- d. Social Security, a tool for development.
- e. Social Security Law and Administration.
- f. The Multi-Island Social Security Project.

Mr. Francis Compton has been honoured for his work in the development of the National Insurance in St. Lucia. The building which currently houses the National Insurance Corporation in Castries has been named the Francis Compton Building.

MINISTERS WITH RESPONSIBILITY FOR SOCIAL SECURITY IN ST. LUCIA

The following persons had responsibility for Social Security here in St. Lucia whether in the form of the National Provident Fund or as the National Insurance. Conduct research on the individuals below and share your findings with the class.



Mr. J. M. D. Bousquet



Mrs. Heraldine Rock



Mr. Kenneth Foster



Mr. Clendon Mason



Mr. Romanus Lansiquot



Sir John Compton



Dr. Kenny Anthony