

The Second Inter-American Conference on Social Security

By Wilbur J. Cohen*

SEVENTEEN AMERICAN COUNTRIES and six international organizations, represented by more than a hundred delegates and observers, took part in the Second Inter-American Conference on Social Security, held in Rio de Janeiro, Brazil, November 10-21, 1947. Morvan Dias de Figueiredo, Brazilian Minister of Labor, Industry, and Commerce, was elected Chairman. The meeting was the Conference's first since the one in September 1942, when the Conference was established "to facilitate and develop the cooperation of the social security administrations and institutions" in the Americas.¹ During the intervening years the work of the Conference has been continued by the Permanent Inter-American Committee on Social Security, set up for that purpose at the first meeting of the Conference.²

The chairman of the United States delegation to the Conference was Arthur J. Altmeyer, Commissioner for Social Security and Chairman of the Permanent Committee. The other members were Wilbur J. Cohen, Assistant Director of the Bureau of Research and Statistics of the Social Security Administration; Clara M. Beyer, Associate Director of the Division of Labor Standards, Department of Labor; and Edward J. Rowell and Roy Tasco Davis, Jr., from the United States Embassy in Rio de Janeiro. Mr. Davis acted as secretary to the delegation.

The other American countries represented were Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Cuba, the Dominican Republic, Ecuador, Guatemala, Mexico, Panama, Paraguay, Peru, Uruguay, and Venezuela. The International Labor Organiza-

tion,³ the Pan American Sanitary Commission, the Inter-American Institute of Statistics, and the World Health Organization also sent representatives, and the labor attaché of the British Embassy and the Secretary-General of the International Social Security Association attended as special observers.

Opening Session

The first plenary session, which was formally opened by Mr. Altmeyer as Chairman of the Permanent Committee, was held in the Ministry of Health and Education. In his speech, Mr. Altmeyer pointed out that this was the first meeting held since the termination of the war. "In a very real sense," he said, "that war was fought to establish the same thesis that underlies social security, namely, that the state exists to promote the welfare of the individual, rather than that the individual exists to promote the welfare of the state.

"The modern state recognizes that in order to promote the welfare of the individual it must achieve two objectives: full production of goods and services, and equitable distribution of the goods and services produced. The modern state recognizes that these twin objectives are interdependent. Without full production, a nation will not have sufficient goods and services to distribute. The welfare of the people of the nation cannot be promoted by distributing scarcity, but only by distributing abundance. However, unless the people of a nation share equitably in the goods and services they produce, they will not be efficient producers; they will not have the incentive to produce to their full capacity; and they will not enjoy the purchasing power necessary to maintain full production.

"What we have come to call social security is the means whereby the modern state assures equitable distribution of the goods and services its people produce. In other words, social security is a device whereby the modern state makes certain that all its people shall enjoy a minimum level of well-being.

"Social security as a program of action has three phases—social insurance, social assistance, and social services—which mutually reinforce each other. The relationship of these three phases of social security to each other, and in fact, the exact form in which a social security program develops in a particular country, is dependent upon the history of that particular country and the existing political, social, and economic institutions of that country."

Mr. Altmeyer referred to the task before the Inter-American Conference on Social Security and the Inter-American Committee on Social Security as the development of a cooperative program of action throughout the Americas that will enlist all inter-American and international institutions concerned. "We have been fortunate," he declared, "in developing an effective relationship with the International Labor Organization . . . we are hopeful that this effective working relationship may continue. However, to be fully effective, we must consider carefully ways and means of more effective cooperation with other international organizations as well, particularly those now operating throughout the Americas, or which in the future may be operating throughout the Americas in the field of social security. We must admit that heretofore we have given primary consideration to only one aspect of social security, namely, social insurance. We must recognize that, in order to be fully effective, in the future it will be necessary to relate social insurance to social assistance and to social services generally."

Mr. Altmeyer called attention to the fact that the Inter-American Economic and Social Council, organized provisionally by the governing board of the Pan American Union, will probably be made a permanent organization—as recommended by the Inter-American Conference on War and Peace in

* Assistant Director, Bureau of Research and Statistics.

¹ For a summary of the 1942 Conference in Santiago de Chile, see the *Bulletin*, October 1942, pp. 4-7.

² For a report of the second meeting of the Permanent Committee in Mexico City in July 1945, see the *Bulletin*, October 1945, pp. 3-4.

³ The Governing Body of the International Labor Organization was represented by a tripartite delegation—Wou Saofong (China) representing the government group, Julio Pons (Uruguay) representing employers, and Bernardo Ibañez (Chile) representing workers.

Mexico in 1945—at the Ninth International Conference of American States, which is to meet in Bogotá on March 30. The agenda of the Bogotá Conference include consideration of the development and improvement of inter-American social services. He therefore asked the Conference on Social Security to consider authorizing its Permanent Committee to “study any resolutions adopted by the International Conference of American States relating to social security and social questions, and to proffer the cooperative services of the Permanent Committee in working with any group which may be established by the International Conference of American States.”

In developing the necessary cooperative relationships with other international organizations that have an interest in social security, Mr. Altmeyer said, the Conference on Social Security was faced with two problems—one of relating the activities of inter-American organizations to each other, and the other of relating inter-American activities to world-wide activities carried on directly by the United Nations or specialized agencies affiliated therewith. “To the extent that we solve these problems in the Americas we shall have strengthened immeasurably effective international cooperation throughout the entire world. And let us not forget that to the extent that each country develops an effective system of social security it promotes not only its own welfare but the welfare of all the other nations of the world. This is true because world-wide peace is based on world-wide social security. The United Nations Charter recognizes this fact. This Charter undertakes not only to promote the political arrangements among the nations that are necessary to arrive at a peaceful world, but also the economic and social conditions among the peoples of all nations that are necessary to maintain a peaceful world.”

Mr. Altmeyer concluded with the hope that the Conference would “take full advantage of our opportunity to make a unique contribution to the promotion of world-wide social security and world-wide peace.”

The Brazilian Minister of Labor, Industry, and Commerce, Morvan Dias de Figueiredo, who had been elected

Chairman, welcomed the delegates on behalf of the President of the Republic, General Eurico Gaspar Dutra. The three members of the Governing Body of the International Labor Office spoke on behalf of the group—employers, employees, and government—that each represented. Representatives of the Director-General of the International Labor Office and the International Social Security Association also spoke. In behalf of all the delegations attending the Conference, Ramón del Río, Counselor of the Argentine Embassy in Brazil, thanked the Brazilian Government for having invited the Conference to meet in Rio de Janeiro.

Agenda of the Conference

The report of the Secretary-General, a report on the insurance of occupational risks, a study of unemployment insurance, and the conclusions reached by the medical and statistical technical commissions at their joint meeting were on the Conference agenda for discussion.

In his report the Secretary-General summarized the work of the Secretariat, outlined the financial situation of the Permanent Committee, and reviewed briefly recent social security developments in the Americas. He also dealt, in introductory fashion, with two subjects on which reports had been requested in 1945 by the Permanent Committee—a résumé of child nutrition in relation to social insurance and a study of present legislation governing the investment of the funds of social security institutions. All these subjects were discussed by the delegates, who also described problems and new developments in social security programs in their own countries.

Separate committees were appointed to consider each of the other three topics on the agenda, and their conclusions, after discussion and amendment by the full Conference, were later embodied in resolutions and adopted, as noted below. In addition, the General Committee had before it for consideration other resolutions on various aspects of social security. All were subsequently adopted by the Conference after discussion and, in some cases, amendment.

Resolutions Adopted

The Conference adopted 10 resolutions, the major points of which are summarized in the following paragraphs.

Social security and international collaboration.—A policy of social security for the Americas must be designed to promote secure conditions of economic progress and stability in those American nations whose industrial organization is in its initial stages, so that they may maintain increasingly comprehensive social security and protective services and be provided also “with wide possibilities of employment and sufficient means to give their workers the guarantee of improved health, nutrition, clothing, housing, and general education.”

Social security and social services.—The Conference asked that the forthcoming Ninth International Conference of American States recommend the most effective means of organizing and administering a practical plan for the encouragement of social security in the Americas. It also instructed the Permanent Inter-American Committee on Social Security to cooperate with whatever organization the Conference of American States might set up and “to take any action which may contribute to putting into effective practice” the resolutions that Conference might approve.

Employment service and unemployment insurance.—Though unemployment is a problem for few countries at this time, the Conference noted, “it is nevertheless desirable to undertake in each country studies necessary to the introduction of a compulsory unemployment insurance system in accordance with its needs.” Unemployment insurance should be given “the appropriate and necessary scope, as part of a general social security system, so as to ensure all due safeguards for the social interests of the worker and his family.”

Since “a national employment service offering suitable employment to the workers” is basic to any sound unemployment insurance system, the Conference recommended that the American countries establish national employment services which, in addition to placing workers in jobs, would

compile information on employment, unemployment, and the occupational and geographical mobility of manpower; collaborate with other social insurance institutions; and study and coordinate general problems of national employment.

The following general principles on unemployment insurance were also adopted by the Conference:

"(A) Compulsory unemployment insurance should cover only the risk arising from the lack of suitable employment for those workers who, being available, able, and willing to work, are unable to obtain such employment;

"(B) The insurance benefits shall be paid only to claimants who register for work at public employment offices;

"(C) The rate of benefits should be less than the rate of previous earnings; provided, however, that a sufficient minimum amount is granted in accordance with the cost of living in the country concerned;

"(D) The total amount of benefits should include allowances for dependents, except in the case of countries where systems of family allowances have been or may be established;

"(E) The period for which benefits are payable should vary with the length of time the claimant was previously employed;

"(F) The unemployed worker who becomes incapacitated for work should not receive unemployment insurance benefits but sickness benefits, or public assistance when on account of such insurance he cannot receive the benefit;

"(G) There should be only one fund and one administrative organization which, insofar as possible, should be within the national social insurance institution."

Insurance of occupational risks.—The resolution on workmen's compensation covered a number of points, such as the inclusion of all employed persons, standards for determining adequate cash benefits and medical services, measures for preventing accidents and for rehabilitation, and administration of the program. The Conference called the special attention of the governments "to the recommendation formulated at the First Session of the Conference in Santiago de Chile, that they 'should promote legis-

lation to establish social insurance against industrial accidents and occupational diseases and an organization for systematic prevention.'" The Conference requested the Permanent Committee to "institute a study among the American countries regarding the unification of occupational injury insurance with social insurance, in order that, with a full knowledge of the subject, the Conference may adopt a recommendation concerning the much-needed systematization of social insurance in accordance with facts and practice."

Extension of social security to agricultural workers.—The Conference repeated the resolution, adopted at the Santiago Conference in 1942, urging that the scope of social insurance be extended to include agricultural workers. It recommended that any countries that have not provided full social security coverage for rural workers "do so to the extent and at the pace permitted by the national and regional characteristics of each such country."

Social insurance statistics.—The Conference approved, in principle, the conclusions submitted by the medical and statistical commissions.⁴ It instructed the commissions to prepare, for submission to the next Conference, a general basic plan of collecting and reporting social security statistics.

Social insurance statistics and the 1950 Census of the Americas.—The Conference recommended "to the Governments of the American countries the desirability of taking advantage of the census agreed upon in Washington at the meeting of the Inter-American Statistical Institute in September 1947, with the object of obtaining the necessary minimum data for the elaboration of social security statistics." It also recommended that "the Statistical Technical Commission should seek the necessary cooperation of the Coordinating Board of the Committee on the 1950 Census of the Americas of the Inter-American Statistical Institute which was agreed upon in Washington."

⁴ Wilbur J. Cohen, "Meeting of the Medical and Statistical Commissions of the Inter-American Committee on Social Security," *Department of State Bulletin*, Feb. 23, 1947, pp. 337-339. See also the *Social Security Bulletin*, February 1947, p. 4.

Standardization of social security terminology.—The Permanent Committee was asked to study, for inclusion on the agenda of the next Conference, "the question of the standardization of American social security terminology, bringing the various terms used into uniformity and giving the equivalent of each in the four official languages of the Conference."

Coordination of social security services with public social services.—The Conference decided that, in view of the comprehensive character of the aims of social security, public services pursuing similar objectives and social security services must be coordinated. This coordination "should relate not only to the classical aspects of public welfare, such as the development of assistance institutions, the struggle against social diseases, the prevention of risks, and the spread of rules of health, but also to the principle of maintaining the continuity of benefit and of the right to benefit from public services when insurance benefit ceases or cannot be allowed." The resolution stressed the point that the efficiency of social security measures depends to a large extent on coordinated action in this and other equally important aspects of social insurance and public administration.

It was resolved that the Conference at a future meeting should consider the question of the bases, scope, and methods of coordinating social insurance services with government services pursuing similar objectives, including a "comprehensive study of questions connected with the maintenance of medical benefit in cases where that provided by social security institutions to insured persons and their families ceases or is not due."

Principle of tripartite representation at the sessions of the Conference.—The Conference declared "its entire confidence in the pacific solution of social problems by means of the agreement resulting from the necessary cooperation of governments, workers, and employers" and, at the same time, advocated the adoption for its own sessions of the tripartite system which "has made possible the extraordinary realizations of the International Labor Organization in the field of social justice."

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Persons, first Director of the USES as set up by the Wagner-Peyser Act in 1933, who summarizes the work of the Service in its early years; John J. Corson, head of the USES during 1941-42, who discusses "Mobilizing Manpower—Retrospect and Prospect"; Robert C. Goodwin, present Director, who sums up "The Employment Service Today"; and Victor Christgau, President of the Interstate Conference of Employment Security Agencies and Director of the Minnesota Division of Employment and Security, who reports on "The Interstate Conference and the Development of the Public Employment Service."

Public Welfare and Relief

BUELL, BRADLEY. "Welfare Planning Comes of Age." *Public Aid in Illinois*, Chicago, Vol. 14, Nov. 1947, pp. 8-11.

"The Future of Public Assistance Institutions." *The Medical Officer*, London, Vol. 78, Dec. 27, 1947, pp. 272 ff.

Discusses the future of public assistance institutions in the light of the National Assistance bill now before Parliament.

MAINE. DEPARTMENT OF HEALTH AND WELFARE. *A Guide to Family Spending at Low Cost.* Augusta: The Department, 1947 (?). 11 pp.

Designed to help families with limited incomes and also public and private welfare agencies meet the problem of the increased cost of living.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION. *Report of the Director General to the Council.* Washington: The Administration, Oct. 1947. (DGR-13.) 82 pp.

This report, which covers the period April-June 1947, includes a chapter on displaced persons, showing how many of them have received assistance and what countries they came from.

Maternal and Child Welfare

ENOCHS, ELISABETH SHIRLEY. *American International Institute for the Protection of Childhood.* Washington: U. S. Govt. Print. Off., 1947. 6 pp. (Department of State Publication

2865—Inter-American Series 33.) 5 cents.

Describes the origin and development of the Institute.

Health and Medical Care

GOIN, LOWELL S. "What Will Compulsory Sickness Insurance Do for the American People?" *The Mother*, Chicago, Vol. 9, Oct. 1947, pp. 18-27.

HELD, ADOLPH. "Health and Welfare Funds in the Needle Trades." *Industrial and Labor Relations Review*, Cornell University, Ithaca, N. Y., Vol. 1, Jan. 1948, pp. 247-263. \$1.

Describes the types and cost of

benefits provided and discusses the funds' investments and reserves.

HILL, JOHN G. "The Inherent Problems in Planning a National Health Service." *Social Service Review*, Chicago, Vol. 21, Dec. 1947, pp. 456-477. \$1.50.

ZIEGLER, MARK; WEINERMAN, E. RICHARD; and ROEMER, MILTON I. "Rural Prepayment Medical Care Plans and Public Health Agencies." *American Journal of Public Health*, New York, Vol. 37, Dec. 1947, pp. 1578-1585. 70 cents.

Describes the medical care program for low-income farm families that was sponsored by the Farm Security Administration.

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The net balance of migration for the total population for the decade 1930-40 (table 6) was estimated by matching the 1940 enumerated population with the Thompson-Whelpton 1934 forecast in the series that assumed no net immigration and no interstate migration. The forecast assumed a decline in the birth rate from 1930 to 1940 and a reduction in death rates and in interstate differences in death rates; it adjusted for possible underenumeration of children under 5 years in the 1930 census

but not for biases in the reporting of age in other age groups in that year.

The estimates of net migration for the total population for the period 1940-46 (table 8) were made by the Bureau of the Census and are based on data from the 1940 census, statistics on school enrollment, and on registrations for War Ration Book No. 4.¹¹

¹¹ For a detailed description see *Estimates and Forecasts of the Population* (Population—Special Reports, Series P-47, No. 4), method II.

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Third Meeting of Inter-American Committee on Social Security

During the Conference the Permanent Inter-American Committee on Social Security held its third meeting. The Committee is responsible for the business and administrative work of the organization, for giving effect to the resolutions and recommendations adopted by the Conference, and for carrying out its work between meetings.

Among its important actions the Committee adopted a budget of \$30,000 for 1948, agreed to convene the medical and statistical technical commissions in 1948, and decided to publish a new edition of the Inter-Ameri-

can Handbook of Social Security Institutions.

The Committee reelected Mr. Altmeier as Chairman; Antonio Díaz Lombardo, Director-General of the Mexican Social Insurance Institute, was made Vice-Chairman. The Committee also elected the four members of its executive body, which acts for the Committee during intervals between sessions. The four men elected were Helvécio Xavier Lopes of Brazil; Nicasio Silverio of Cuba; Edgardo Rebagliati of Peru; and Amadeo Almada of Uruguay. The Chairman and Vice-Chairman complete the membership of the executive body.

At the close of the session it was agreed to accept the Colombian Government's invitation to hold the next meeting in Bogotá.