

FEATURE ADDRESS

Honorable Saboto Caesar, Minister of Agriculture, Industry, Forestry, Fisheries and Rural Transformation

When the National Insurance Act # 33 of 1986 was passed, its aim was to extend coverage to all workers in the formal Sector in St. Vincent and the Grenadines and to offer them financial protection against a special set of contingencies. The financial protection includes a comprehensive benefit package comprising short term-sickness and maternity, and long term-pensions and Funeral Grant. Overtime, the Employment Injury Benefit Branch was added to ensure that workers who suffered injury on the job were covered. This was critically important particularly if the worker suffered disablement and could not work any longer. Obviously, the intent here was also to provide some cushion for the family of the injured in a bid to alleviate Poverty.

It is also instructive to note that many persons of working age are not covered for social security (National Insurance) in St. Vincent and the Grenadines. By and large, the persons who are not covered are self-employed and casual workers. These are vulnerable groups who are not able to make any substantial provisions for their old age. Casual labourers are those who work directly or indirectly for formal enterprises. This means your gardener, domestic worker, or any worker who is not included on your formal payroll. Some of these workers live from pay-check to pay-check and are only able to take care of basic necessities such as food. Take note that I said, directly or indirectly. This means that some of you might be paying them in kind and not in cash. The NIS Contributions Regulation makes allowance for deductible contributions for in kind payments.

Aim and scope of the Agency Offices

The new paradigm for responsible institutions such as the NIS is to make the services offered relevant to the persons whom they serve. The main aim of the agency office, therefore, is to make life easier for the residents of these rural communities by creating a “user-friendly” facility to the populace of Georgetown and its environs.

This system has a broader scope. It is not only designed to reach persons in the formal sector (although they, too would benefit) because they are already employed with an employer so the onus is on the employer to ensure that they have all the employees in their establishment registered within seven (7) days of employment, and to ensure that they deduct the contributions from their salaries/wages and remit the amount to the NIS. I make this poignant point because too many of our employers are evading the system. They deduct the contributions from the employees but fail to send that contribution to the NIS. I am appealing to you to desist from this practice. You have an obligation to pay in the contributions so that in case of any eventuality the workers can be covered.

You would agree with me that most of the workers in these rural communities are agriculturally based seasonal workers and self-employed persons such as fisher folks, block makers and small shop keepers. Many of them want to be included in the NIS self employed programme, but it is difficult for them to pay \$20 -\$25.00 round trip to leave their means of livelihood to travel into Kingstown to pay \$49.50 (the lowest scale on the self-employed programme). By any stretch of the imagination, this is counterproductive. Now that the service is available in Georgetown, there is easy access. You can take a 15 minutes break, come to the office, pay your contribution

and then get back to your substantive duty so that you can have a sustained income to make your regular contributions.

Quantitative and qualitative benefits

To a large extent, the NIS benefits are based on the number of contributions paid into the system. The eligibility requirement for a Funeral Grant, for example, is 26 weekly contributions. I purposefully use this example because many persons present themselves to the NIS seeking for assistance on the death of their loved ones. Paying in your contributions will redound to your benefit since it will greatly improve/ enhance your ability to collect any of the benefits for short term or long term. If you are self-employed, you will not be able to access the Employment Injury Benefits.

In terms of qualitative benefits, the NIS plans to heighten its marketing initiative so that employers can be apprised of their statutory obligations so that they will register new and existing employees within the prescribed time and be persuaded to make timely payments and to maintain up-to-date and correct records. The benefits to the employees will include apprising you of the requisite contributions for claiming a benefit, the time frame within which you may claim and the types of benefits for which you qualify.

The agency office will also allow you to collect your benefit cheque right here in Georgetown. It is not co-incidental that we are sharing the space with GECCU. You may also utilise the services of GECCU for your lodgement and fortunately for you, the Bank of St. Vincent and the Grenadines is located nearby so that you can cash your cheque without any hassle.

Conclusion

In these difficult economic times, the NIS is even more essential for its beneficiaries. In this regard, I wish to thank the administrators for their vision in opening this agency office in Georgetown. I encourage all of you to utilise this facility and to take the necessary steps to preserve this facility that is designed especially for you.