

# Social Security Programs Throughout the World: The Americas, 2017



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## Preface

This fourth issue in the current four-volume series of *Social Security Programs Throughout the World* reports on the countries of the Americas. The combined findings of this series, which also includes volumes on Europe, Asia and the Pacific, and Africa, are published at six-month intervals over a two-year period. Each volume highlights features of social security programs in the particular region.

The information contained in these volumes is crucial to our efforts, and those of researchers in other countries, to review different ways of approaching social security challenges that will enable us to adapt our social security systems to the evolving needs of individuals, households, and families. These efforts are particularly important as each nation faces major demographic changes, especially the increasing number of aged persons, as well as economic and fiscal issues.

*Social Security Programs Throughout the World* is the product of a cooperative effort between the Social Security Administration (SSA) and the International Social Security Association (ISSA). The ISSA is the principal international institution bringing together social security agencies and organizations around the world. Founded in 1927, the ISSA is located at the International Labour Office in Geneva.

Previous editions of this report, which date back to 1937, were issued as one volume and were prepared by SSA staff. ISSA has researched and written the publication since the introduction of the four-volume format in 2002, and beginning with the volume on the Americas 2015, the publication is co-financed by both institutions. The ISSA has conducted the research largely through its numerous country-based correspondents, as well as its social security databases and other types of data that are drawn together to update this report. *Social Security Programs Throughout the World* is based on legislation in effect in July 2017, or the last date for which information has been received by SSA or ISSA. We added a new country, Suriname, to this volume.

Harald Braumann and Megan Gerecke managed the data collection and analysis for the ISSA, and John Jankowski and Ben Danforth performed a technical review of the report for SSA. Staff of the Office of Information Resources at SSA edited the report and prepared it for publication.

Your suggestions and comments on this report are welcome. Any suggestions, comments, or questions about the report should be e-mailed to [ssptw@ssa.gov](mailto:ssptw@ssa.gov). Corrections, updated information, and copies of relevant documentation and legislation are also welcome and may be sent to:

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This report and other publications are available at <https://www.socialsecurity.gov/policy>. The information reported in the country summaries is also available on the ISSA website at <https://www.issa.int/country-profiles>.

**John W. R. Phillips**  
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March 2018

***Errata Policy***

If there are any additions or corrections to the data published herein, they will be posted as errata on the web at <https://www.socialsecurity.gov/policy/docs/progdesc/ssptw/2016-2017/americas/index.html>.

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## Guide to Reading the Country Summaries

This fourth issue in the current four-volume series of *Social Security Programs Throughout the World* reports on the countries of the Americas.<sup>1</sup> The combined findings of this series, which also includes volumes on Europe, Asia and the Pacific, and Africa, are published at six-month intervals over a two-year period. Each volume highlights features of social security programs in the particular region.

This guide serves as an overview of programs in all regions. A few political jurisdictions have been excluded because they have no social security system or insufficient information was available regarding their social security legislation. In the absence of recent information, national programs reported in previous volumes may also be excluded.

In this volume on the Americas, the data reported are based on laws and regulations in force in July 2017 or on the last date for which information has been received. Information for each country on types of social security programs, types of mandatory systems for retirement income, contribution rates, and demographic and other statistics related to social security is shown in Tables 1–4 beginning on page 17.

The country summaries show each system's major features including mandatory occupational pensions and in some cases, private insurance. Separate programs in the public sector and specialized funds for such groups as agricultural workers, collective farmers, or the self-employed have not been described in any detail.

The country summaries also do not refer to international social security agreements that may be in force between two or more countries. Those agreements may modify coverage, contributions, and benefit provisions of national laws summarized in the country write-ups. Since the summary format requires brevity, technical terms have been developed that are concise as well as comparable and are applied to all programs wherever possible. The terminology may therefore differ from national concepts or usage.

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<sup>1</sup> The names of the countries in this report are those used by the U.S. Department of State. The names of the countries, as reproduced on the ISSA website, reflect those used by the United Nations. The term *country* has been used throughout the volume even though in some instances the term *jurisdiction* may be more appropriate.

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### Information Sources

Most of the information in this report was collated from the Social Security Programs Throughout the World survey conducted by the International Social Security Association (ISSA) in partnership with the U.S. Social Security Administration (SSA). This information was supplemented by data collected by the ISSA. Empirical data were provided by numerous social security institutions throughout the world. (For a listing of countries and jurisdictions that responded to the survey, see page 2.) During the compilation process, international analysts at both SSA and the ISSA examined the material for factual errors, ambiguous statements, and contradictions in material from different sources.

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### Types of Programs

The term social security in this report refers to programs established by statute that insure individuals against interruption or loss of earning power and for certain special expenditures arising from marriage, birth, or death. This definition also includes allowances to families for the support of children.

Protection of the insured person and dependents usually is extended through cash payments to replace at least a portion of the income lost as the result of old age, disability, or death; sickness and maternity; work injury; unemployment; or through services, primarily hospitalization, medical care, and rehabilitation. Measures providing cash benefits to replace lost income are usually referred to as income maintenance programs; measures that finance or provide direct services are referred to as benefits in kind.

Three broad approaches to coverage provide cash benefits under income-maintenance programs; namely, employment-related, universal, and means-tested systems. Under both the employment-related and the universal approaches, the insured, dependents, and survivors can claim benefits as a matter of right. Under means-tested approaches, benefits are based on a comparison of a person's income or resources against a standard measure. Some countries also provide other types of coverage.

## Employment-Related

Employment-related systems, commonly referred to as social insurance systems, generally base eligibility for pensions and other periodic payments on length of employment or self-employment or, in the case of family allowances and work injuries, on the existence of the employment relationship itself. The amount of pensions (long-term payments, primarily) and of other periodic (short-term) payments in the event of unemployment, sickness, maternity, or work injury is usually related to the level of earnings before any of these contingencies caused earnings to cease. Such programs are financed entirely or largely from contributions (usually a percentage of earnings) made by employers, workers, or both, and are in most instances compulsory for defined categories of workers and their employers.

The creation of notional defined contributions (NDC) is a relatively new method of calculating benefits. NDC schemes are a variant of contributory social insurance that seek to tie benefit entitlements more closely to contributions. A hypothetical account is created for each insured person that is made up of all contributions during his or her working life and, in some cases, credit for unpaid activity such as caregiving. A pension is calculated by dividing that amount by the average life expectancy at the time of retirement and

indexing it to various economic factors. When benefits are due, the individual's notional account balance is converted into a periodic pension payment.

Some social insurance systems permit voluntary affiliation of workers, especially the self-employed. In some instances, the government subsidizes such programs to encourage voluntary participation.

The government is, pro forma, the ultimate guarantor of many benefits. In many countries, the national government participates in the financing of employment-related as well as other social security programs. The government may contribute through an appropriation from general revenues based on a percentage of total wages paid to insured workers, finance part or all of the cost of a program, or pay a subsidy to make up any deficit of an insurance fund. In some cases, the government pays the contributions for low-paid workers. These arrangements are separate from obligations the government may have as an employer under systems that cover government employees. Social security contributions and other earmarked income are kept in a dedicated fund and are shown as a separate item in government accounts. (For further details on the government's role in financing social security, see source of funds under Old Age, Disability, and Survivors.)

### Countries in the Americas that Responded to the Social Security Programs Throughout the World Survey

Antigua and Barbuda	Costa Rica	Nicaragua
Argentina	Cuba	Panama
Bahamas	Dominica	Paraguay
Barbados	Dominican Republic	Peru
Belize	Ecuador	Saint Kitts and Nevis
Bermuda	El Salvador	Saint Lucia
Bolivia	Grenada	Saint Vincent and the Grenadines
Brazil	Guatemala	Suriname
British Virgin Islands	Guyana	Trinidad and Tobago
Canada	Honduras	United States of America
Chile	Jamaica	Uruguay
Colombia	Mexico	Venezuela



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## **Universal**

Universal programs provide flat-rate cash benefits to residents or citizens, without consideration of income, employment, or means. Typically financed from general revenues, these benefits may apply to all persons with the required length of residency. Universal programs may include old-age pensions for persons over a certain age; pensions for workers with disabilities, widow(er)s, and orphans; and family allowances. Most social security systems incorporating a universal program also have a second-tier earnings-related program. Some universal programs, although receiving substantial support from income taxes, are also financed in part by contributions from workers and employers.

## **Means-Tested**

Means-tested programs establish eligibility for benefits by measuring individual or family resources against a calculated standard usually based on subsistence needs. Benefits are limited to applicants who satisfy a means test. The size and type of benefits awarded are determined in each case by administrative decision within the framework of the law.

The specific character of means, needs, or income tests, as well as the weight given to family resources, differ considerably from country to country. Such programs, commonly referred to as social pensions or equalization payments, traditionally are financed primarily from general revenues.

Means-tested systems constitute the sole or principal form of social security in only a few jurisdictions. In other jurisdictions, contributory programs operate in tandem with income-related benefits. In such instances, means- or income-tested programs may be administered by social insurance agencies. Means-tested programs apply to persons who are not in covered employment or whose benefits under employment-related programs, together with other individual or family resources, are inadequate to meet subsistence or special needs. Although means-tested programs can be administered at the national level, they are often administered locally.

## **Other Types of Programs**

Three other types of programs are those delivered mainly through financial services providers (individual accounts, mandatory occupational pensions, and mandatory private insurance), publicly operated provident funds, and employer-liability systems.

## **Programs Delivered by Financial Services Providers**

*Individual account.* Applies to a program where covered persons and/or employers contribute a certain percentage of earnings to the covered person's individual account managed by a contracted public or private fund manager. Participation may be mandatory or voluntary. The responsibility to establish membership in a scheme and the option to choose a fund manager lie with the individual. The accumulated capital in the individual account is normally intended as a source of income replacement for the contingencies of retirement, disability, ill health, or unemployment. It may also be possible for eligible survivors to access the accumulated capital in the case of the insured's death.

Contributions are assigned to an employee's individual account. The employee, and sometimes the employer, must pay administrative fees for the management of the individual account and usually purchase a separate policy for disability and survivors insurance.

*Mandatory occupational pension.* Applies to a program where employers are mandated by law to provide occupational pension schemes financed by employer, and, in some cases, employee contributions. Benefits may be paid as a lump sum, annuity, or pension.

*Mandatory private insurance.* Applies to a program where individuals are mandated by law to purchase insurance directly from a private insurance company.

**Provident Funds.** These funds, which exist primarily in developing countries, are essentially compulsory savings programs in which regular contributions withheld from employees' wages are enhanced, and often matched, by employers' contributions. The contributions are set aside and invested for each employee in a single, publicly managed fund for later repayment to the worker when defined contingencies occur. Typically, benefits are paid in a lump sum with accrued interest, although in certain circumstances drawdown provisions enable partial access to savings prior to retirement or other defined contingencies. On retirement, some provident funds also permit beneficiaries to purchase an annuity or opt for a pension. Some provident funds provide pensions for survivors.

**Employer-Liability Systems.** Under these systems, workers are usually protected through labor codes that require employers, when liable, to provide specified payments or services directly to their employees. Specified payments or services can include the payment of lump-sum gratuities to the aged or disabled;

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the provision of medical care, paid sick leave, or both; the payment of maternity benefits or family allowances; the provision of temporary or long-term cash benefits and medical care in the case of a work injury; or the payment of severance indemnities in the case of dismissal. Employer-liability systems do not involve any direct pooling of risk, since the liability for payment is placed directly on each employer. Employers may insure themselves against liability, and in some jurisdictions such insurance is compulsory.

### **Format of Country Summaries**

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Each country summary presents information available on five branches of social security:

- Old age, disability, and survivors;
- Sickness and maternity;
- Work injury;
- Unemployment; and
- Family allowances.

### **Old Age, Disability, and Survivors**

Benefits under old age, disability, and survivor programs usually cover long-term risks, as distinct from short-term risks such as temporary incapacity resulting from sickness and maternity, work injury, or unemployment. The benefits are normally pensions payable for life or for a considerable number of years. Such benefits are usually provided as part of a single system with common financing and administration as well as interrelated qualifying conditions and benefit formulas.

The laws summarized under Old Age, Disability, and Survivors focus first on benefits providing pensions or lump-sum payments to compensate for loss of work-related income resulting from old age or permanent retirement. Such benefits are usually payable after attaining a specified statutory age. Some countries require complete or substantial retirement to become eligible for a pension; other countries pay a retirement pension at a certain age regardless of whether workers retire or not.

The second type of long-term risk for which pensions are provided is disability (referred to in some countries as invalidity). Disability may be generally defined as long-term and more or less total work impairment resulting from a nonoccupational injury or disease. (Disability caused by a work injury or occupational disease is usually compensated under a separate program; see Work Injury.)

The third type of pension is payable to dependents of insured workers or pensioners who die. (Pensions for survivors of workers injured while working are usually provided under a separate Work Injury program.)

**Coverage.** The extent of social security coverage in any given country is determined by a number of diverse factors, including the kind of system, sometimes the age of the system, and the degree of economic development. A program may provide coverage for the entire country or some portion of the workforce.

In principle, universal systems cover the entire population for the contingencies of old age, disability, and survivorship. A person may have to meet certain conditions, such as long-term residence or citizenship. Many countries exclude noncitizens from benefits unless there is a reciprocal agreement with the country of which they are nationals.

The extent of employment-related benefits is usually determined by the age of the system. Historically, social security coverage was provided first to government employees and military personnel, then to workers in industry and commerce, and eventually extended to the vast majority of wage earners and salaried employees through a general system. As a result, public employees (including military personnel and civil servants), teachers, and employees of public utilities, corporations, or monopolies are still covered by occupation-specific separate systems in many countries.

In many countries, special occupational systems have been set up for certain private-sector employees, such as miners, railway workers, and seamen. Qualifying conditions and benefits are often more liberal than under the general system. The risk involved in an occupation, its strategic importance for economic growth, and the economic and political strength of trade unions may have had a role in shaping the type and size of benefits offered by the particular program.

Groups that might be considered difficult to administer—family workers, household workers, day workers, agricultural workers, and the self-employed—were often initially excluded from coverage. The trend has been to extend coverage to these groups under separate programs or to bring them gradually under the general system. In some countries, noncovered workers become eligible for the right to an eventual pension if they make voluntary contributions at a specified level. Some systems also provide voluntary coverage for women who leave the labor

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force temporarily to have children or to raise a family, or for self-employed persons not covered by a mandatory program. Some developed countries with younger programs have constructed a unified national program, thus largely bypassing the need for developing separate industrial or agricultural funds.

Most developing countries have extended coverage gradually. Their first steps toward creating a social security system have commonly been to cover wage and salary workers against loss of income due to work injury, and then old age and, increasingly, disability.

In a number of developing countries, particularly in those that were once British colonies, this initial step has come via provident funds. Most provident funds provide coverage for wage and salary workers in the public and private sector. A few funds have exclusions based on the worker's earnings or the size of the firm. Funds that exclude employees with earnings above a certain level from compulsory coverage may in some cases give them the option to affiliate or continue to participate voluntarily.

**Source of Funds.** The financing of benefits for old-age, disability, and survivor programs can come from three possible sources:

- A percentage of covered wages or salaries paid by the worker,
- A percentage of covered payroll paid by the employer, and
- A government contribution.

Almost all pension programs under social insurance (as distinct from provident funds or universal systems) are financed at least in part by employer and employee contributions. Many derive their funds from all three sources. Contributions are determined by applying a percentage to salaries or wages up to a certain maximum. In many cases the employer pays a larger share.

The government's contribution may be derived from general revenues or, less commonly, from special earmarked or excise taxes (for example, a tax on tobacco, gasoline, or alcoholic beverages). Government contributions may be used in different ways to defray a portion of all expenditures (such as the cost of administration), to make up deficits, or even to finance the total cost of a program. Subsidies may be provided as a lump sum or an amount to make up the difference between employer/employee contributions and the total cost of the system. A number of countries

reduce or, in some cases, eliminate contributions for the lowest-paid wage earners, financing their benefits entirely from general revenues or by the employer's contribution.

The contribution rate apportioned between the sources of financing may be identical or progressive, increasing with the size of the wage or changing according to wage class. Where universal and earnings-related systems exist side by side, and the universal benefit is not financed entirely by the government, separate rates may exist for each program. In other instances, flat-rate weekly contributions may finance basic pension programs. These amounts are uniform for all workers of the same age and sex, regardless of earnings level. However, the self-employed may have to contribute at a higher rate than wage and salary workers, thereby making up for the employer's share.

For administrative purposes, a number of countries assess a single overall social security contribution covering several contingencies. Benefits for sickness, work injury, unemployment, and family allowances as well as pensions may be financed from this single contribution. General revenue financing is the sole source of income in some universal systems. The contribution of the resident or citizen may be a percentage of taxable income under a national tax program. General revenues finance all or part of the means-tested supplementary benefits in many countries.

Contribution rates, as a rule, are applied to wages or salaries only up to a statutory ceiling. A portion of the wage of highly paid workers will escape taxation but will also not count in determining the benefit. In a few cases, an earnings ceiling applies for the determination of benefits but not for contribution purposes. In some countries, contribution rates are applied not to actual earnings but to a fixed amount that is set for all earnings falling within a specified range or wage class.

**Qualifying Conditions.** Qualifying to receive an old-age benefit is usually conditional on two requirements: attainment of a specified pensionable age and completion of a specified period of contributions or covered employment. Another common requirement is total or substantial withdrawal from the labor force. In some instances, eligibility is determined by resident status or citizenship.

Old-age benefits generally become payable between ages 60 and 65. In some countries, length-of-service benefits are payable at any age after a certain period of employment, most commonly between 30

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and 40 years. In recent years, several countries have increased the age limit for entitlement, in part because of budgetary constraints arising as a consequence of demographic aging.

Many programs require the same pensionable age for women as for men. Others permit women to draw a full pension at an earlier age, even though women generally have a longer life expectancy. Although the norm has been for the differential to be about five years, there is now an emerging international trend toward equalizing the statutory retirement age.

Many programs offer optional retirement before the statutory retirement age is reached. A reduced pension, in some instances, may be claimed up to five years before the statutory retirement age. Some countries pay a full pension before the regular retirement age if the applicant meets one or more of the following conditions: work in an especially arduous, unhealthy, or hazardous occupation (for example, underground mining); involuntary unemployment for a period near retirement age; physical or mental exhaustion (as distinct from disability) near retirement age; or, occasionally, an especially long period of coverage. Some programs award old-age pensions to workers who are older than the statutory retirement age but who cannot satisfy the regular length-of-coverage requirement. Other programs provide increments to workers who have continued in employment beyond the normal retirement age.

Universal old-age pension systems usually do not require a minimum period of covered employment or contributions. However, most prescribe a minimum period of prior residence.

Some old-age pension systems credit periods during which persons, for reasons beyond their control, were not in covered employment. Credits can be awarded for reasons such as disability, involuntary unemployment, military service, education, child raising, or training. Other systems disregard these periods and may proportionately reduce benefits for each year below the required minimum. Persons with only a few years of coverage may receive a refund of contributions or a settlement in which a proportion of the full benefit or earnings is paid for each year of contribution.

The majority of old-age pensions financed through social insurance systems require total or substantial withdrawal from covered employment. Under a retirement test, the benefit may be withheld or reduced for those who continue working, depending on the amount of earnings or, less often, the number of hours worked. Universal systems usually do not require retirement

from work for receipt of a pension. Provident funds pay the benefit only when the worker leaves covered employment or emigrates.

Some countries provide a number of exemptions that act to eliminate the retirement condition for specified categories of pensioners. For instance, the retirement test may be eliminated for workers who reached a specified age above the minimum pensionable age or for pensioners with long working careers in covered employment. Occupations with manpower shortages may also be exempted from the retirement test.

The principal requirements for receiving a disability benefit are loss of productive capacity after completing a minimum period of work or having met the minimum contribution requirements. Many programs grant the full disability benefit for a two-thirds loss of working capacity in the worker's customary occupation, but this requirement may vary from one-third to 100 percent.

The qualifying period for a disability benefit is usually shorter than for an old-age benefit. Periods of three to five years of contributions or covered employment are most common. A few countries provide disability benefits in the form of an unlimited extension of ordinary cash sickness benefits.

Entitlement to disability benefits may have age limitations. The lower limit in most systems is in the teens, but it may be related to the lowest age for social insurance or employment or to the maximum age for a family allowance benefit. The upper age limit is frequently the statutory retirement age, when disability benefits may be converted to old-age benefits.

For survivors to be eligible for benefits, most programs require that the deceased worker was a pensioner, completed a minimum period of covered employment, or satisfied the minimum contribution conditions. The qualifying contribution period is often the same as that for the disability benefit. The surviving spouse and orphans may also have to meet certain conditions, such as age requirements.

**Old-Age Benefits.** The old-age benefit in most countries is a wage-related, periodic payment. However, some countries pay a universal fixed amount that bears no relationship to any prior earnings; others supplement their universal pension with an earnings-related pension.

Provident fund systems make a lump-sum payment, usually a refund of employer and employee contributions plus accrued interest. In programs that have individual accounts, options for retirement include purchasing an annuity, making withdrawals from an



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account regulated to guarantee income for an expected lifespan (programmed withdrawals), or a combination of the two (deferred annuity).

Benefits that are related to income are almost always based on average earnings. Some countries compute the average from gross earnings, including various fringe benefits; other countries compute the average from net earnings. Alternatively, some countries have opted to use wage classes rather than actual earnings. The wage classes may be based on occupations or, for administrative convenience, on earnings arranged by size using the midpoint in each step to compute the benefit.

Several methods are used to compensate for averages that may be reduced by low earnings early in a worker's career or by periods without any credited earnings due, for example, to unemployment or military service, and for the effects of price and wage increases due to inflation. One method is to exclude from consideration a number of periods with the lowest (including zero) earnings. In many systems the period over which earnings are averaged may be shortened to the last few years of coverage, or the average may be based on years when the worker had his or her highest earnings. Other systems revalue past earnings by applying an index that usually reflects changes in national average wages or the cost of living. Some assign hypothetical wages before a certain date. Alternatively, others have developed mechanisms for automatic adjustment of workers' wage records based on wage or price changes.

A variety of formulas are used in determining the benefit amount. Instead of a statutory minimum, some systems pay a percentage of average earnings—for instance, 35 percent or 50 percent—that is unchanged by length of coverage once the qualifying period is met. A more common practice is to provide a basic rate—for example, 30 percent of average earnings—plus an increment of 1 percent or 2 percent of earnings either for each year of coverage or for each year in excess of a minimum number of years. Several countries have a weighted benefit formula that returns a larger percentage of earnings to lower-paid workers than to higher-paid workers.

Most systems limit the size of the benefit. Many do so by establishing a ceiling on the earnings taken into account in the computation. Others establish a maximum cash amount or a maximum percentage of average earnings set, for example, at 80 percent. Some systems combine these and other, similar methods.

Most systems supplement the benefit for a wife or child. The wife's supplement may be 50 percent or

more of the basic benefit, although in some countries the supplement is payable only for a wife who has reached a specified age, has children in her care, or has a disability. It may also be payable for a dependent husband.

Minimum benefits are intended to maintain a minimum standard of living in many countries, although that objective is not always achieved. A maximum that reduces the effect large families have on benefits is commonly used to limit total benefits, including those of survivors, in the interest of the financial stability of the program.

In some countries, benefits are automatically adjusted to reflect price or wage changes. In other countries, the process is semiautomatic—the adequacy of pensions is reviewed periodically by an advisory board or other administrative body that recommends a benefit adjustment to the government, usually requiring legislative approval.

**Disability Benefits.** Under most programs, provisions for disability benefits for persons who are permanently disabled as the result of nonoccupational causes are very similar to those for the aged. The same basic formula usually applies for total disability as for old age—a cash amount usually expressed as a percentage of average earnings. Increments and dependents' supplements are generally identical under the total disability and old-age programs. For persons with total disabilities, a constant-attendance supplement, for instance, 50 percent of the benefit, may be paid to those who need help on a daily basis. Partial disability benefits, if payable, are usually reduced, according to a fixed scale. The system may also provide rehabilitation and training. Some countries provide higher benefits for workers in arduous or dangerous employment.

**Survivor Benefits.** Most systems provide periodic benefits for survivors of covered persons or pensioners, although some pay only lump-sum benefits. Survivor benefits are generally a percentage of either the benefit paid to the deceased at death or the benefit to which the insured would have been entitled if he or she had attained pensionable age or become disabled at that time.

Survivor benefits are paid to some categories of widows under nearly all programs. The amount of a widow's benefit usually ranges from 50 percent to 75 percent of the deceased worker's benefit or, in some cases, 100 percent. In some countries, lifetime benefits are payable to every widow whose husband fulfills the necessary qualifying period. More commonly, the



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provision of widows' benefits is confined to widows who are caring for young children, are above a specified age, or have a disability.

Lifetime benefits are ordinarily payable to aged and disabled widows. Those awarded to younger mothers, however, are usually terminated when all children have passed a certain age, unless the widow has reached a specified age or has a disability. Most widows' benefits also terminate on remarriage, although a final lump-sum grant may be payable under this circumstance. Special provisions govern the rights of the divorced. Age limits for orphan's benefits are in many cases the same as for children's allowances. Many countries fix a somewhat higher age limit for orphans attending school or undergoing an apprenticeship or for those who are disabled. The age limit is usually removed for orphans with disabilities as long as their incapacity continues. Most survivor programs distinguish between half orphans (who have lost one parent) and full orphans (who have lost both parents), with the latter receiving benefits that are 50 percent to 100 percent larger than those for half orphans. Special payments are also made to orphans under the family allowance programs of some countries.

Benefits are payable under a number of programs to widowers of insured workers or pensioners. In many instances, a widower must have been financially dependent on his wife and either disabled or old enough to receive an old-age benefit at her death. A widower's benefit is usually computed in the same way as a widow's benefit.

Many systems also pay benefits to other surviving close relatives, such as parents and grandparents, but only in the absence of qualifying widows, widowers, or children. The maximum total benefit to be split among survivors is usually between 80 percent and 100 percent of the benefit of the deceased.

**Administrative Organization.** Responsibility for administration often rests with semiautonomous institutions or funds. These agencies are usually subject to general supervision by a ministry or government department but otherwise are largely self-governing, headed by a tripartite board that includes representatives of workers, employers, and the government. Some boards are bipartite with representatives of workers and employers only or of workers and the government. Where coverage is organized separately for different occupations, or for wage earners and salaried employees or self-employed workers, each program usually has a separate institution or fund. In other

cases, the administration of benefits is placed directly in the hands of a government ministry or department.

### **Sickness and Maternity**

Sickness benefit programs are generally of two types: cash sickness benefits, which are paid when short-term illnesses prevent work, and health care benefits, which are provided in the form of medical, hospital, and pharmaceutical benefits. Some countries maintain a separate program for cash maternity benefits, which are paid to working mothers before and after childbirth. In most countries, however, maternity benefits are administered as part of the cash sickness program. (Benefits provided as a result of work injury or occupational disease are provided either under work injury or sickness programs. Details of the benefits are discussed under Work Injury.)

Historically, cash sickness and maternity benefits as well as health care were often administered under the same branch of social security. For this reason, these programs are grouped together in the country summaries.

Another important reason for grouping these numerous benefits together is that each deals with the risk of temporary incapacity. Sometimes, such benefits are furnished as part of a single system with common financing and administration. Many countries provide medical care services for sickness and maternity as an integral part of the health insurance system and some link those services directly with the provision of cash benefits. In other instances, however, maternity cash grants are covered under family allowance programs. In many cases, medical care services are provided under a public health program, independent of the social insurance system. Where this dual approach is followed, it has been indicated in the summaries.

Where health care is dispensed directly by the government or its agencies and the principal source of funds is general revenue, the cash benefit program usually continues to be administered on an insurance basis, funded by payroll contributions, and merged in some instances with other aspects of the social insurance system such as old age and disability. However, countries that deliver health care primarily through private facilities and private funding are also likely to have developed separate programs. Where the social security program operates its own medical facilities, both types of benefits are usually administered jointly.

Benefits designed to assist in the provision of long-term care, often at home, are generally supported by a special tax. Benefit levels are normally set to the level

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of care required. These benefits may be payable in cash, as care services, or as a combination of the two.

**Coverage.** The proportion of the population covered by sickness programs varies considerably from country to country, in part because of the degree of economic development. Coverage for medical care and cash benefits is generally identical in countries where both types of benefits are provided through the same branch of social insurance. In a number of systems, particularly in developing countries, health care insurance extends only to employees in certain geographic areas. A common procedure is to start the program in major urban centers, then extend coverage gradually to other areas. Both cash sickness and health care programs may exclude agricultural workers, who, in some countries, account for a major proportion of the working population. Where a health insurance system (as distinguished from a national health service program) exists, most workers earning below a certain ceiling participate on a compulsory basis. Others, such as the self-employed, may be permitted to affiliate on a voluntary basis. In several countries, higher-paid employees are specifically excluded from one or both forms of sickness insurance, although some voluntary participation is usually permitted.

Many countries include pensioners as well as other social security beneficiaries under the medical care programs, in some cases without cost to the pensioner. Elsewhere, pensioners pay a percentage of their pension or a fixed premium for all or part of the medical care coverage. Special sickness insurance systems may be maintained for certain workers, such as railway employees, seamen, and public employees.

Where medical care coverage is provided through a national health service rather than social insurance, the program is usually open in principle to virtually all residents. However, restrictions on services to aliens may apply.

**Source of Funds.** Many countries have merged the financing of sickness programs with that of other social insurance benefits and collect only a single contribution from employees and employers. More commonly, however, employees and employers contribute directly to a separate program that includes both health care and cash benefits for sickness and maternity. Some countries also provide a government contribution. Where medical care is available to residents, generally through some type of national health service, the government usually bears at least the major part of the cost from general revenues.

**Qualifying Conditions.** Generally, a person becoming ill must be gainfully employed, incapacitated for work, and not receiving regular wages or sick-leave payments from the employer to be eligible for cash sickness benefits. Most programs require claimants to meet a minimum period of contribution or to have some history of work attachment prior to the onset of illness to qualify. Some countries, however, have eliminated the qualifying period.

The length of the qualifying period for cash sickness benefits may range from less than one month to six months or more and is ordinarily somewhat longer for cash maternity benefits. Usually the period must be fairly recent, such as during the last six or 12 months. In the case of medical benefits, a qualifying period is usually not required. In instances where such a requirement does exist, it is generally of a short duration. Most programs providing medical services to dependents of workers, as well as to the workers themselves, do not distinguish in their qualifying conditions between the two types of beneficiaries. A few programs require a longer period of covered employment before medical services are provided to dependents.

**Cash Benefits.** The cash sickness benefit is usually 50 percent to 75 percent of current average earnings, frequently with supplements for dependents. Most programs, however, fix a maximum benefit amount or do so implicitly through a general earnings ceiling for contributions and benefits. Benefits may be reduced when beneficiaries are hospitalized at the expense of the social insurance system.

A waiting period of two to seven days is imposed under most cash sickness programs. As a result, benefits may not be payable if an illness or injury lasts for only a few days. Similarly, in the case of a prolonged inability to work, benefits may not be payable for the first few days. Under some programs, however, benefits are retroactively paid for the waiting period when the disability continues beyond a specified time, commonly two to three weeks. A waiting period reduces administrative and benefit costs by excluding many claims for short illnesses or injuries during which relatively little income is lost and can also help reduce the potential for the inappropriate use of the system by workers. In other programs, employers are required to pay benefits for a certain number of days before social insurance payments begin.

The period during which a worker may receive benefits for a single illness or injury, or in a given 12-month period, is ordinarily limited to 26 weeks.

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In some instances, however, benefits may be drawn for considerably longer and even for an unlimited duration. A number of countries permit the agency to extend the maximum entitlement period to 39 or 52 weeks in specific cases. In most countries, when cash sickness benefits are exhausted, the recipient is paid a disability benefit if the incapacity continues.

Cash maternity benefits are usually payable for a specified period, both before and after childbirth. A woman is almost always required to stop working while receiving maternity benefits, and usually she must use the prenatal and postnatal medical services provided by the system. In some countries, cash maternity benefits are also payable to working men who stay home to care for a newborn child while the mother returns to work. Cash payments may also be available for a parent, usually the mother, who is absent from work to care for a sick child under a specified age.

The proportion of earnings payable as a cash maternity benefit differs considerably from country to country but, like cash sickness benefits, is usually between 50 percent and 75 percent of current earnings. However, in a number of countries, maternity benefits are set at 100 percent of wages. Benefit payments usually start approximately six weeks before the expected date of childbirth and end six to eight weeks afterward.

A nursing allowance—usually 20 percent or 25 percent of the regular maternity benefit and payable for up to six months or longer—may be provided in addition to the basic cash maternity benefit. A grant for the purchase of a layette—clothes and other essentials for the newborn baby—or the provision of a layette itself is furnished under some programs. Finally, a lump-sum maternity grant may be paid on the birth of each child. The wives of insured men may be eligible for this grant. Similar benefits may be provided under the family allowance program.

**Medical Benefits.** Medical services usually include at least general practitioner care, some hospitalization, and essential drugs. Services of specialists, surgery, maternity care, some dental care, a wider range of medicine, and certain appliances are commonly added. Transportation of patients and home-nursing services may be included.

There are three principal methods of meeting the cost of health care: direct payment to providers by the public system or its agents, reimbursement of patients, and direct provision of medical care. These methods

may be used in different combinations and may be varied for different kinds of services.

Under direct payment, the social security or public medical care system pays providers directly for services. Patients usually have little or no direct financial dealings with the care provider. Payments for care are commonly made based on contracts with service providers or the professional groups representing them, such as practitioner or hospital associations. Remuneration may take the form of a specified fee for each service, a capitation payment in return for providing all necessary services to a given group of persons, or a salary.

Under the reimbursement method, the patient makes the initial payment and is reimbursed by social security for at least part of the cost. A maximum is sometimes placed on the refund, expressed as a percentage of the bill or a flat amount that can vary with the nature of the service as stipulated in a schedule of fees. The ceiling on medical bills can be placed on the provider when presenting the bill or on the patient when applying for reimbursement. In the latter case, the patient may be reimbursed for only a small portion of the bill.

Under the direct-provision method, the social security system or the government owns and operates its own medical facilities, largely manned by salaried staff. Countries using this method may contract for services of public or private providers. The patient normally pays no fee for most of these services, except insofar as part of the social security contribution may be allotted toward health care funding.

Regardless of the funding method used, all national health care programs provide for at least a small degree of cost-sharing by patients, usually on the assumption that such charges discourage overuse. Thus, the patient either pays part of the cost to the provider or social security agency or receives less than full reimbursement. Even under the direct-provision method, with its emphasis on basically free medical services to the whole population, patients are generally required to pay a small fixed fee per medical treatment or prescription or for each day of hospitalization.

Some health care systems have no limit on how long medical care may be provided. Other systems fix a maximum, such as 26 weeks, for services provided for any given illness. Some set limits only on the duration of hospitalization paid for by social security. Where time limits are imposed, they may be extended.

**Maternity Care.** Prenatal, obstetric, and postnatal care for working women is provided in most countries



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under the medical services program. Obstetric care is sometimes limited to the services of a midwife, although a doctor is usually available in case of complications. Care in a maternity home or hospital, as well as essential drugs, are ordinarily furnished where necessary.

**Medical Care for Dependents.** When medical benefits for insured workers are provided through social insurance, similar services are typically furnished to their spouses and young children (and, in some cases, other adults or young relatives living with and dependent on the insured). Maternity care is generally provided to the wife of an insured man.

In some countries, however, medical services available to dependents are more limited than those provided to insured workers or heads of families. Dependents may be subject to a shorter maximum duration for hospital stays, for example, and may have to pay a larger percentage of the cost of certain services such as medicine.

**Administrative Organization.** The administrative organization for the sickness and maternity program is similar to that of the old-age, disability, and survivor program in many countries. Most commonly, such programs are administered by some form of national social security institution. Under some systems, social security agencies own and operate their own medical facilities, furnishing at least part of the services available under their programs.

In most countries with a national health insurance program, responsibility for detailed administration lies with semiautonomous, nongovernment health funds or associations. All workers covered by the program must join one of these funds.

Each health fund usually requires government approval and must satisfy certain requirements. Workers and, in some countries, employers participate in the election of governing bodies. The funds normally collect contributions within minimum and maximum limits. Funds may also receive government subsidies related to their expenditures or to the number of affiliated members.

National law usually prescribes the minimum (and, in some cases, the maximum) cash benefits and medical services the health funds may provide. In a few countries, individual funds may determine what specific health care benefits and services to provide and arrange to furnish medical care to their members. This arrangement can involve delivery through contracts with care and service providers in the region.

Less commonly, government departments are responsible for the actual provision of medical services, usually through a national health service program. The administrative responsibility for delivering medical services in some countries is often separated from the administration of cash benefit programs, which tend to be linked with other types of social security benefits.

### **Work Injury**

The oldest type of social security—the work injury program—provides compensation for work-connected injuries and occupational illnesses. Such programs usually furnish short- and long-term benefits, depending on both the duration of the incapacity and the age of survivors. Work injury benefits nearly always include cash benefits and medical services. Most countries attempt to maintain separate work injury programs that are not linked directly with other social security measures. In some countries, however, work injury benefits are paid under special provisions of the general social security programs. Both types of programs are dealt with under Work Injury.

**Types of Systems.** There are two basic types of work injury systems: social insurance systems that use a public fund, and various forms of private or semiprivate arrangements required by law. In most countries, work injury programs operate through a central public fund, which may or may not be part of the general social insurance system. All employers subject to the program must pay contributions to the public carrier, which in turn pays the benefits.

Countries that rely primarily on private arrangements require employers to insure their employees against the risk of employment injury. However, in some of these countries, only private insurance is available. In the remainder, a public fund does exist, but employers are allowed the option of insuring with either a private carrier or the public fund.

The premiums charged by private or mutual insurance companies for work injury protection usually vary according to the experience of work accidents in different undertakings or industries, and the cost of protection may vary widely. In some countries, however, experience rating has been eliminated, and all employers contribute to the program at one rate.

In other instances, workers' compensation laws simply impose on employers a liability to pay direct compensation to injured workers or their survivors. Employers covered under such laws may simply pay

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benefits from their own funds as injuries occur or may voluntarily purchase a private or mutual insurance contract to protect themselves against risk.

**Coverage.** Work injury programs commonly cover wage and salary workers and exclude the self-employed. The programs of some of the more highly industrialized nations cover practically all employees. However, many countries either exclude all agricultural employees or cover only those who operate power-driven machinery. Some programs also exclude employees of small enterprises.

**Source of Funds.** Work injury benefits are financed primarily by employer contributions, reflecting the traditional assumption that employers should be liable when their employees suffer work injuries. Where certain elements of the work injury program are meshed with one or more of the other branches of the social insurance system, however, financing usually involves contributions from employees, employers, and the government. Another exception occurs in countries that provide medical treatment for work-connected illnesses under their ordinary public medical care programs.

**Work Injury Benefits.** Work injury programs provide cash benefits and medical benefits. Cash benefits under work injury programs may be subdivided into three types: benefits for temporary disability, those for permanent total disability, and those for permanent partial disability. No qualifying period of coverage or employment is ordinarily required for entitlement to work injury benefits. The concept of work-connected injury has gradually been liberalized in a number of countries to cover injuries occurring while commuting to and from work.

Temporary disability benefits are usually payable from the start of an incapacity caused by a work injury, though some programs require a waiting period of one to three days. Benefits normally continue for a limited period, such as 26 to 52 weeks, depending on the duration of incapacity. If incapacity lasts longer, the temporary disability benefit may be replaced by a permanent disability benefit. In some systems, temporary benefits may continue for an extended period, particularly if the temporary and permanent benefit amounts are identical.

The temporary benefit is nearly always a fraction of the worker's average earnings during a period immediately before injury, usually at least one-third to one-half. A ceiling may be placed on the earnings considered in computing a benefit. Temporary benefits under work injury programs may be significantly

higher than in the case of ordinary sickness. Benefits are reduced under some programs when a worker is hospitalized.

The second type of cash work injury benefit is provided in cases of permanent total disability. Generally, it becomes payable immediately after the temporary disability benefit ceases, based on a medical evaluation that the worker's incapacity is both permanent and total. The permanent total disability benefit is usually payable for life, unless the worker's condition changes. A minority of programs, however, pay only a single lump-sum grant of several years of wages.

The permanent total disability benefit usually amounts to two-thirds to three-fourths of the worker's average earnings before injury, somewhat higher than for ordinary disability benefits. In addition, unlike ordinary disability benefits, the rate usually does not vary based on the length of employment before the injury. Supplements may be added for dependents and for pensioners requiring the constant attendance of another person, in which case benefits may exceed former earnings. In some countries, the benefits of apprentices or new labor force entrants who become permanently disabled as a result of work-connected injury or disease are based on hypothetical lifetime wages or on the wage of an average worker in the particular industry. This mechanism overcomes the problem of establishing a lifetime benefit based on a very low starting wage.

The third type of cash work injury benefit is provided when permanent partial disability results in a worker's loss of partial working or earning capacity. It is usually a portion of the full benefit corresponding to the percentage loss of capacity. Alternatively, permanent partial disability benefits may be paid in the form of a lump-sum grant. Partial disability payments are generally smaller and are usually stipulated in a schedule of payments for particular types of injuries. Some systems pay the benefit as a lump sum when the extent of disability is below a stated percentage, such as 20 percent.

Medical and hospital care and rehabilitation services are also provided to injured workers. Nearly always free, they may include a somewhat wider range of services than the general sickness program. Ordinarily, they are available until the worker recovers or the condition stabilizes. In some countries, however, free care is limited, the amount being based on the duration of services or their total cost.

**Survivor Benefits.** Most work injury programs also provide benefits to survivors. These benefits are



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customarily payable to a widow, regardless of her age, until her death or remarriage; to a widower with a disability; and to orphans below specified age limits. If the benefit is not exhausted by the immediate survivors' claims, dependent parents or other relatives may be eligible for small benefits. No minimum period of coverage is required.

Survivor benefits are computed as a percentage of either the worker's average earnings immediately before death or the benefit payable (or potentially payable) at death. These percentages are typically larger than those for survivor benefits under the general program and do not normally vary with the length of covered employment. They are usually about one-third to one-half of the worker's average earnings for a widow, about half as much for each half orphan, and about two-thirds as much for each full orphan. A limit is commonly placed on the combined total of survivor benefits.

Not all countries, however, provide work injury benefits to survivors, and some do not differentiate between survivors in this category and survivors entitled to benefits under other social insurance programs. Some schemes pay only a lump sum equal to the worker's earnings over a specified number of years. Most systems also pay a funeral grant equivalent to a fixed sum or a percentage of the worker's earnings.

**Administrative Organization.** The functions involved in administering work injury programs differ widely between countries in which employers are not required to insure or can insure with private carriers and those in which a public agency or fund has sole responsibility for both collecting contributions and paying benefits.

### **Unemployment**

Benefits in this category provide compensation for the loss of income resulting from involuntary unemployment. In some countries, these programs are independent of other social security measures and may be closely linked with employment services. In other countries, the unemployment programs are included with social security measures covering other short-term risks, although employment services may continue to verify unemployment and assist in a job search.

Unemployment programs, which exist mainly in industrialized countries, are compulsory and fairly broad in scope in many countries. Some countries restrict benefits to those who satisfy a means or income test. In addition to the programs offering scheduled payments, a number of countries provide

lump-sum grants, payable by either a government agency or the employer; other countries provide individual severance accounts, providing total benefits equal to the value of accumulated capital in the individual account. In addition, employers in many instances are required to pay lump-sum severance indemnities to discharged workers.

**Coverage.** About half of the compulsory unemployment programs cover the majority of employed persons, regardless of the type of industry. Coverage under the remaining programs is limited to workers in industry and commerce. A few exclude salaried employees earning more than a specified amount. Some have special provisions covering temporary and seasonal employees. Several countries have special occupational unemployment programs, most typically for workers in the building trades, dockworkers, railway employees, and seafarers.

Voluntary insurance systems are limited to industries in which labor unions have established unemployment funds. Membership in these funds is usually compulsory for union members in a covered industry and may be open on a voluntary basis to nonunion employees. Uninsured workers, such as recent school graduates or the self-employed, for example, may be eligible for a government-subsidized assistance benefit when they become unemployed.

**Source of Funds.** The methods used to finance unemployment insurance are usually based on the same contributory principles as for other branches of social insurance—contributions amounting to a fixed percentage of covered wages are paid on a scheduled basis. In many cases, the government also grants a subsidy, particularly for extended benefits.

Unemployment insurance contributions are shared equally between employees and employers in many countries. Alternatively, the entire contribution may be made by the employer. However, government subsidies may be quite large, amounting to as much as two-thirds of the program's expenditures. Means-tested unemployment assistance programs are financed entirely by governments, with no employer or employee contribution.

**Qualifying Conditions.** To be entitled to unemployment benefits, a worker must be involuntarily unemployed and have completed a minimum period of contributions or covered employment. The most common qualifying period is six months of coverage within the year before employment ceased. In a number of industrialized countries, however, students

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recently out of school who are unable to find jobs may be eligible for unemployment benefits, even without a work record. This benefit provides a transition from school to work, particularly in periods of recession.

Nearly all unemployment insurance programs, as well as those providing unemployment assistance, require that applicants be capable of, and available for, work. An unemployed worker, therefore, is usually ineligible for unemployment benefits when incapacitated or otherwise unable to accept a job offer. Usually, the unemployed worker must register for work at an employment office and report regularly for as long as payments continue. This close linkage between unemployment benefits and placement services ensures that benefits will be paid only after the person has been informed of any current job opportunities and been found unsuitable.

An unemployed worker who refuses an offer of a suitable job without good cause usually will have benefits temporarily or permanently suspended. Most programs stipulate that the job offered must have been suitable for the worker. The definitions of suitable employment vary considerably. Generally, the criteria include the rate of pay for the job being offered in relation to previous earnings; distance from the worker's home; relationship to the worker's previous occupation, capabilities, and training; and the extent to which the job may involve dangerous or unhealthy work. In some countries, long-term unemployed workers may also be obliged to undertake employment retraining programs. Some countries also provide the unemployed with access to educational placements. If an unemployed worker refuses a place on a retraining program or fails, without good cause, to attend an educational placement, benefits can be temporarily or permanently suspended.

An unemployed worker may satisfy all of the qualifying conditions for a benefit but still be temporarily or permanently disqualified. Nearly all unemployment systems disqualify a worker who left voluntarily without good cause, was dismissed because of misconduct, or participated in a labor dispute leading to a work stoppage that caused the unemployment. The period of disqualification varies considerably, from a few weeks to permanent disqualification.

**Unemployment Benefits.** Weekly benefits are usually a percentage of average wages during a recent period. A system of wage classes rather than a single fixed percentage is used in some countries. The basic rate of unemployment benefits is usually between 40 percent and 75 percent of average earnings. However, a

ceiling on the wages used for benefit computations or maximum benefit provisions may considerably narrow the range within which the basic percentage of wages applies.

Flat-rate amounts are sometimes payable instead of graduated benefits that vary with past wages and customarily differ only according to the family status or, occasionally, the age of the worker. Supplements for a spouse and children are usually added to the basic benefit of unemployed workers who are heads of families. These supplements are either flat-rate amounts or an additional percentage of average earnings.

Most countries have a waiting period of several days before unemployment benefits become payable to reduce the administrative burden of dealing with a very large number of small claims. Most waiting periods are between three and seven days. Some programs have a waiting period for each incident of unemployment, and others limit eligibility to once a year. Longer waiting periods may be prescribed for certain workers, such as the seasonally employed.

Most countries place a limit on the period during which unemployment benefits may be continuously drawn. Typically, this limit varies from eight to 36 weeks but may be longer in certain cases.

Duration of benefits may also depend on the length of the preceding period of contribution or coverage under the program. That criterion may reduce the maximum duration of unemployment benefits for workers with brief work histories. However, workers with a long history of coverage may, under some programs, have their benefit period extended well beyond the ordinary maximum.

Many unemployed workers who exhaust the right to ordinary benefits continue to receive some assistance, provided their means or incomes are below specified levels. Recipients are usually required to continue registering and reporting at an employment exchange. Some countries that have unemployment assistance but no insurance program do not place any limit on the duration of payments. A number of countries require that insured workers approaching retirement age who have been out of work for a specified period be removed from the unemployment rolls and granted a regular old-age benefit.

**Administrative Organization.** Unemployment insurance systems may be administered by government departments or self-governing institutions that are usually managed by representatives of insured persons, employers, and the government.

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Unemployment insurance and placement service programs usually maintain a close administrative relationship that ensures that benefits are paid only to workers who are registered for employment. At the same time, this liaison increases the effectiveness of the placement services by providing an incentive, through payment of benefits, for unemployed persons to register and report regularly.

Some countries have merged the administration of unemployment insurance and employment service programs, especially at the lower administrative levels where claims are received and benefits are paid by the local employment office. Other countries require persons to register with a local employment office, but the receipt of claims and payment of benefits are handled by a separate insurance office.

In addition to providing an income for the unemployed, many governments have elaborate measures to prevent or counteract unemployment. The typical procedure is for government employment services to work with industry to promote occupational and geographic mobility of labor and to minimize unemployment caused by economic or technological developments; they do that by subsidizing the retraining and relocation of workers in industries that are declining or being restructured. Governments may grant tax and other incentives to industry to locate in areas of high unemployment, or they may allocate funds to create jobs in anticipation of periods of seasonal unemployment.

### **Family Allowances**

The general purpose of family allowance programs is to provide additional income for families with young children to meet at least part of the added costs of their support. These programs may either be integrated with other social security measures or kept entirely separate. In this report, family allowances primarily include regular cash payments to families with children. In some countries, they also include school grants, birth grants, maternal and child health services, minimum income guarantees, and allowances for adult dependents.

Most industrialized countries have family allowance programs that originated in Europe in the 19th century when some large companies began paying premiums to workers with large families. The idea spread gradually, and several European countries enacted programs during the 1920s and 1930s. Most programs in operation today, however, have been in place since 1945.

A relatively new trend in many developing countries has been the emergence of cash transfers as an instrument to alleviate poverty and invest in human capital. In this report, these benefits are classified as family allowances since they are generally paid to families with children. Usually financed from taxation, cash transfers are almost always means tested, and the receipt of benefits may be tied to a given set of behavioral conditions, such as school attendance or meeting basic health and nutritional requirements.

**Types of Systems and Coverage.** Family allowance programs are generally of three types: universal, employment-related, and social assistance. The first category, in principle, provides allowances to all resident families with a specified number of children. The second category provides allowances to all wage and salary workers and, in some cases, to self-employed and nonemployed persons. Most employment-related programs continue to pay family allowances to insured persons with dependent children in their care when they retire or are temporarily off the job and receiving sickness, unemployment, work injury, disability, or other benefits. Employment-related family programs also pay allowances to widows of social security beneficiaries. The third category provides allowances to persons or households whose resources fall below a calculated standard, usually based on subsistence needs.

**Source of Funds.** The differences in family allowance programs are reflected in the methods used for financing. In universal and social assistance systems, the entire cost is usually covered by general revenue, although some programs may be financed with earmarked taxes or solidarity transfers from contributory programs. By contrast, countries linking eligibility with employment meet the cost of allowances entirely or in considerable part from employer contributions, usually at a uniform percentage-of-payroll rate. If employer contributions do not cover the entire cost, the remainder is usually met from a government subsidy. Few countries require an employee contribution toward family allowances, although some require self-employed persons to contribute.

**Eligibility.** Eligibility is commonly related to the size of the family and, in some cases, to family income. Many countries pay allowances beginning with the first child. In addition, some countries pay an allowance for a nonemployed wife or other adult dependent, even if there are no children.

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In some countries, families with only one child are ineligible. Age requirements vary but are usually tied to the last year of school or the minimum working age, which are often the same and fall somewhere between ages 14 and 18. Under most programs, the continuation of schooling, apprenticeship, or vocational training qualifies a child for an extension of the age limit. In the case of children with disabilities, many countries extend the age limit beyond that for continued education or pay allowances indefinitely.

**Benefits.** Whether a program pays a uniform rate for all children or an increasing or decreasing amount for each additional child may reflect the history or the intent of the program. The allowance structure may vary, for example, depending on whether the primary intent is to provide assistance, stimulate population growth, or promote human capital. The allowance is often a uniform amount for every child, regardless of the number of children in a family. In other countries, the allowance in most of the other countries increases for each additional child; the payment for a fifth child, for example, may be considerably larger than that for the first or second child. In a few countries, the allowance for each child diminishes or ceases with the addition of children beyond a certain number. In some countries, family allowances (and tax exemptions for dependent family members) have been replaced or supplemented by credits or other forms of a negative income tax.

**Administrative Organization.** In countries where family allowances are universal or targeted to the poorest households, the program is usually administered by a government ministry, department, or semi-autonomous agency. Where allowances are payable mainly to families of employed persons and financed primarily from employer contributions, the administration may be by a semiautonomous agency under public supervision. Equalization funds may handle the program's financial operations. Each employer pays family allowances to its employees with their wages. The firm then settles with the local fund only the surplus or deficit of contributions due, after deducting allowances the firm has paid. A similar procedure of settling only surpluses or deficits is followed by the local funds in relation to the regional equalization funds under whose supervision they operate. The equalization process makes it possible to fix a uniform contribution rate for all employers, regardless of the number of children in their employees' families. It also eliminates any effect allowances might have on inducing employers to discriminate in hiring workers with children.

**Table 1.**  
**Social security programs, by country and type**

Country	Old age, disability, and survivors	Sickness and maternity				Unemployment	Family allowances
		Cash sickness benefits	Cash maternity benefits	Medical benefits	Work injury		
Antigua and Barbuda	X	X	X	X	X		
Argentina	X	<sup>a</sup> X	X	X	<sup>a</sup> X	X	X
Bahamas	X	X	X	X	X	X	
Barbados	X	X	X	X	X	X	X
Belize	X	X	X		X		
Bermuda	X	<sup>a</sup> X	<sup>a</sup> X	X	<sup>a</sup> X		X
Bolivia	X	X	X	X	X		X
Brazil	X	X	X	X	X	X	X
British Virgin Islands	X	X	X	X	X		
Canada	X	X	X	X	X	X	X
Chile	X	X	X	X	X	X	X
Colombia	X	X	X	X	X	X	X
Costa Rica	X	X	X	X	<sup>a</sup> X		X
Cuba	X	X	X	X	X		
Dominica	X	X	X		<sup>a</sup> X		
Dominican Republic	X	X	X	X	X		X
Ecuador	X	X	X	X	X	X	X
El Salvador	X	X	X	X	X		X
Grenada	X	X	X	X	X		
Guatemala	X	X	X	X	X		
Guyana	X	X	X	X	X		X
Haiti	X	<sup>a</sup> X	<sup>a</sup> X		X		
Honduras	X	X	X	X	<sup>a</sup> X	<sup>b</sup> X	X
Jamaica	X	<sup>a</sup> X	<sup>a</sup> X	X	X		X
Mexico	X	X	X	X	X		X
Nicaragua	X	X	X	X	X		X
Panama	X	X	X	X	<sup>a</sup> X		X

(Continued)



**Table 1.**  
**Social security programs, by country and type—Continued**

Country	Old age, disability, and survivors	Sickness and maternity				Unemployment	Family allowances
		Cash sickness benefits	Cash maternity benefits	Medical benefits	Work injury		
Paraguay	X	X	X	X	X		
Peru	X	X	X	X	X		<sup>a</sup> X
Saint Kitts and Nevis	X	X	X		X		
Saint Lucia	X	X	X	X	X		
Saint Vincent and the Grenadines	X	X	X	X	X		
Suriname	X	<sup>a</sup> X		X	<sup>a</sup> X		X
Trinidad and Tobago	X	X	X	X	X		X
United States	X			X	<sup>a</sup> X	X	X
Uruguay	X	X	X	X	X	X	X
Venezuela	X	X	X	X	X	X	<sup>a</sup> X

SOURCE: The country summaries in this volume.

NOTES: A number of employer-liability systems appear for the first time in this volume due to increased data collection on these programs. Although most of these programs are not new, where relevant, new programs are indicated. In many countries employers are also mandated, usually by the labor code, to provide severance pay. These systems are not included in this table but are described in the country summaries wherever possible.

a. Employer-liability system only.

b. New program.

**Table 2.**  
**Mandatory old-age income security programs, by country and type**

Country	Flat-rate	Earnings-related	Means-tested	Flat-rate universal	Provident funds <sup>a</sup>	Occupational retirement schemes	Individual retirement schemes
Antigua and Barbuda		X	X				
Argentina	<sup>b</sup> X	<sup>b</sup> X	X				
Bahamas		X	X				
Barbados		X	X				
Belize		X	X				
Bermuda	<sup>b</sup> X	<sup>b</sup> X	X			X	
Bolivia				X			<sup>c</sup> X
Brazil		X	X				
British Virgin Islands		X					
Canada		X	X	<sup>d</sup> X			
Chile		<sup>e</sup> X	X				<sup>c</sup> X
Colombia		X	X				<sup>c</sup> X
Costa Rica		X	X				X
Cuba		X	X				
Dominica		X					
Dominican Republic							<sup>c</sup> X
Ecuador		X	X				
El Salvador		<sup>e</sup> X	X				<sup>c</sup> X
Grenada		X					
Guatemala		X	X				
Guyana		X		X			
Haiti		X	X				
Honduras		X					X
Jamaica	<sup>b</sup> X	<sup>b</sup> X	X				
Mexico		<sup>e</sup> X	X				<sup>c</sup> X
Nicaragua		X					
Panama		X	X				X
Paraguay		X	X				
Peru		X	X				<sup>c</sup> X

(Continued)

**Table 2.**  
**Mandatory old-age income security programs, by country and type—Continued**

Country	Flat-rate	Earnings-related	Means-tested	Flat-rate universal	Provident funds <sup>a</sup>	Occupational retirement schemes	Individual retirement schemes
Saint Kitts and Nevis		X	X				
Saint Lucia		X					
Saint Vincent and the Grenadines		X	X				
Suriname		X		X			
Trinidad and Tobago		X	X				
United States		X	X				
Uruguay		X	X				X
Venezuela	<sup>b</sup> X	<sup>b</sup> X	X				

SOURCE: The country summaries in this volume.

NOTES: The types of mandatory systems for retirement income are defined as follows:

**Flat-rate pension:** A pension of uniform amount or one based on years of service or residence but independent of earnings. It is financed by payroll tax contributions from employees, employers, or both.

**Earnings-related pension:** A pension based on earnings. It is financed by payroll tax contributions from employees, employers, or both.

**Means-tested pension:** A pension paid to eligible persons whose own or family income, assets, or both fall below designated levels. It is generally financed through government contributions, with no contributions from employers or employees.

**Flat-rate universal pension:** A pension of uniform amount normally based on residence but independent of earnings. It is generally financed through government contributions, with no contributions from employers or employees.

**Provident funds:** Employee and employer contributions are set aside for each employee in publicly managed special funds. Benefits are generally paid as a lump sum with accrued interest.

**Occupational retirement schemes:** Employers are required by law to provide private occupational retirement schemes financed by employer and, in some cases, employee contributions. Benefits are paid as a lump sum, annuity, or pension.

**Individual retirement schemes:** Employees and, in some cases, employers must contribute a certain percentage of earnings to an individual account managed by a public or private fund manager chosen by the employee. The accumulated capital in the individual account is used to purchase an annuity, make programmed withdrawals, or a combination of the two and may be paid as a lump sum.

- No country in the Americas has a provident fund. The column in this table is to facilitate comparisons with countries in other regions.
- The benefit formula contains a flat-rate component as well as an element based on earnings or years of coverage.
- The government provides a guaranteed minimum pension.
- The universal pension is increased by an income-tested supplement.
- The earnings-related social insurance system is closed to new entrants and is being phased out.

**Table 3.**  
**Demographic and other social security-related statistics, by country, 2015–2017**

Country	Total population (millions)	Percentage 65 or older	Dependency ratio (percentage) <sup>a</sup>	Life expectancy at birth (years)		Statutory pensionable age		Early pensionable age <sup>b</sup>		GDP per capita (PPP)
				Men	Women	Men	Women	Men	Women	
Antigua and Barbuda	0.10	6.7	44.8	73.7	78.6	61	61	c	c	22,705
Argentina	43.85	11.1	56.5	72.6	80.2	65	65	c	c	19,979
Bahamas	0.39	8.6	41.1	72.4	78.5	65	65	60	60	22,561
Barbados	0.28	14.5	51.0	73.3	78.1	67	67	60	60	18,100
Belize	0.37	3.8	55.7	67.6	73.2	65	65	60	60	8,478
Bermuda	0.07	18.0	53.9	77.3	84.9	65	65	c	c	<sup>d</sup> 52,436
Bolivia	10.89	6.6	62.9	66.3	71.3	60	60	c	c	7,248
Brazil	207.65	8.2	43.6	71.6	78.9	<sup>e</sup> 65	<sup>e</sup> 60	f	f	15,153
British Virgin Islands	0.03	9.0	34.5	77.4	80.3	65	65	c	c	<sup>g</sup> 42,300
Canada	36.29	16.6	48.2	80.2	84.1	65	65	c	c	44,025
Chile	17.91	10.7	45.6	76.7	81.7	65	60	c	c	23,960
Colombia	48.65	7.3	45.4	70.7	77.8	62	57	c	c	14,181
Costa Rica	4.86	9.2	45.2	77.2	82.1	65	65	62	60	16,642
Cuba	11.48	14.3	43.8	77.6	81.6	65	60	c	c	11,900
Dominica	0.07	11.1	48.9	74.2	80.3	63	63	60	60	10,969
Dominican Republic	10.65	6.8	57.3	70.6	76.9	60	60	55	55	15,234
Ecuador	16.39	6.9	55.3	73.4	78.9	f	f	f	f	11,264
El Salvador	6.34	8.1	56.0	68.5	77.7	60	55	f	f	8,634
Grenada	0.11	7.2	50.6	71.1	76.0	60	60	c	c	14,228
Guatemala	16.58	4.6	67.4	69.9	76.3	60	60	c	c	7,960
Guyana	0.77	5.2	52.9	64.3	68.9	65	65	c	c	7,852
Haiti	10.85	4.7	61.4	60.9	65.2	55	55	c	c	1,787
Honduras	9.11	4.5	58.3	70.8	75.9	65	60	c	c	4,746
Jamaica	2.88	9.5	48.1	73.5	78.3	65	65	c	c	8,838
Mexico	127.54	6.7	50.9	74.5	79.4	65	65	f	f	17,877
Nicaragua	6.15	5.2	53.3	72.1	78.1	60	60	c	c	5,551
Panama	4.03	7.7	54.7	74.9	80.9	62	57	60	55	23,053

(Continued)

**Table 3.**  
**Demographic and other social security-related statistics, by country, 2015–2017—Continued**

Country	Total population (millions)	Percentage 65 or older	Dependency ratio (percentage) <sup>a</sup>	Life expectancy at birth (years)		Statutory pensionable age		Early pensionable age <sup>b</sup>		GDP per capita (PPP)
				Men	Women	Men	Women	Men	Women	
Paraguay	6.73	6.2	56.0	70.9	75.2	60	60	55	55	9,586
Peru	31.77	7.0	53.0	72.1	77.4	65	65	55	50	13,044
Saint Kitts and Nevis	0.05	11.9	40.8	73.5	78.4	62	62	c	c	26,434
Saint Lucia	0.18	9.6	40.6	72.6	78.1	65	65	60	60	12,978
Saint Vincent and the Grenadines	0.11	7.5	46.3	71.0	75.3	61	61	60	60	11,479
Suriname	0.56	6.8	50.4	68.2	74.6	60	60	c	c	14,996
Trinidad and Tobago	1.36	9.7	43.8	67.2	74.2	60	60	c	c	32,919
United States	323.13	15.0	51.7	76.4	81.2	66	66	62	62	57,638
Uruguay	3.44	14.5	55.7	73.7	80.8	60	60	c	c	21,662
Venezuela	31.57	6.4	52.3	70.4	78.6	60	55	c	c	<sup>h</sup> 17,639

SOURCES: Information on statutory and early pensionable ages is based on information in the country summaries in this volume. Other indicators are sourced from the World Bank, *World Development Indicators*, available at <http://data.worldbank.org/data-catalog/worlddevelopment-indicators>, and where information was not available, the U.S. Central Intelligence Agency. *The World Factbook* (Washington D.C.: Central Intelligence Agency), available at <https://www.cia.gov/library/publications/resources/the-world-factbook/index.html>. The figures in the table reflect the latest data available from each source as of the publication of this volume.

NOTES: GDP = gross domestic product; PPP = purchasing power parity. GDP estimates are converted into international dollars using PPP rates. The statutory and early pensionable age shown in the table is the general pensionable age or the age that applies to the largest covered population.

- a. Population aged 14 or younger plus population aged 65 or older, divided by population aged 15–64.
- b. General early pensionable age only; excludes early pensionable ages for specific groups of employees.
- c. The country has no early pensionable age, has one only for specific groups, or information is not available.
- d. 2013 GDP.
- e. Urban workers.
- f. Regardless of age but subject to other requirements.
- g. 2010 GDP.
- h. 2014 GDP.



**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2017 (in percent)**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<b>Antigua and Barbuda</b>						
Insured person	5	a	0	...	...	5
Employer	7	a	b	...	...	<sup>b</sup> 7
Total	12	a	<sup>b</sup> 0	...	...	<sup>b</sup> 12
<b>Argentina</b>						
Insured person	11.00	0	0	0	0	11.0
Employer	10.17	a, b	b	0.89	4.44	<sup>b</sup> 15.5
Total	21.17	<sup>a,b</sup> 0	<sup>b</sup> 0	0.89	4.44	<sup>b</sup> 26.5
<b>Bahamas</b>						
Insured person	3.9	a	a	a	...	3.9
Employer	5.9	a	a	a	...	5.9
Total	9.8	a	a	a	...	9.8
<b>Barbados</b>						
Insured person	8.85	a	0	1.25	0	10.10
Employer	8.75	a	0.75	1.75	0	11.25
Total	17.60	a	0.75	3.00	0	21.35
<b>Belize</b>						
Insured person	c	a	a	...	...	c
Employer	c	a	a	...	...	c
Total	c	a	a	...	...	c
<b>Bermuda</b>						
Insured person	<sup>c</sup> 5	0	0	...	0	<sup>c</sup> 5
Employer	<sup>c</sup> 5	b	b	...	0	<sup>b,c</sup> 5
Total	<sup>c</sup> 10	<sup>b</sup> 0	<sup>b</sup> 0	...	0	<sup>b,c</sup> 10
<b>Bolivia</b>						
Insured person	12.21	0	<sup>a</sup> 0	...	0	12.21
Employer	3.00	10	<sup>a</sup> 1.71	...	13	27.71
Total	15.21	10	<sup>a</sup> 1.71	...	13	39.92
<b>Brazil</b>						
Insured person	8	a	0	0	a	8
Employer	20	a	1	0	a	21
Total	28	a	1	0	a	29

(Continued)

**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2017**  
**(in percent)—Continued**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<b>British Virgin Islands</b>						
Insured person	3.25	0.75	0	...	...	4.0
Employer	3.25	0.75	0.5	...	...	4.5
Total	6.50	1.50	0.5	...	...	8.5
<b>Canada</b>						
Insured person	4.95	a	0	1.630	0	6.580
Employer	4.95	a	c	2.282	0	<sup>c</sup> 7.232
Total	9.90	a	c	3.912	0	<sup>c</sup> 13.812
<b>Chile</b>						
Insured person	11.41	7	0	0.6	0	19.01
Employer	1.41	0	0.94	2.4	0	4.75
Total	12.82	7	0.94	3.0	0	23.76
<b>Colombia</b>						
Insured person	4	4.0	0	0	0	8.000
Employer	12	8.5	0.348	a, c	4	<sup>c</sup> 24.848
Total	16	12.5	0.348	a, c	4	<sup>c</sup> 32.848
<b>Costa Rica</b>						
Insured person	4.34	5.50	0	...	0	9.84
Employer	8.33	<sup>b</sup> 9.25	b	...	5	<sup>b</sup> 22.58
Total	12.67	<sup>b</sup> 14.75	<sup>b</sup> 0	...	5	<sup>b</sup> 32.42
<b>Cuba</b>						
Insured person	1.0	a	a	...	...	1.0
Employer	14.5	a	a	...	...	14.5
Total	15.5	a	a	...	...	15.5
<b>Dominica</b>						
Insured person	5.50	a	0	...	...	5.50
Employer	6.75	a	0.5	...	...	7.25
Total	12.25	a	0.5	...	...	12.75
<b>Dominican Republic</b>						
Insured person	2.87	3.04	0	...	0	5.91
Employer	7.10	7.09	1.2	...	0	15.39
Total	9.97	10.13	1.2	...	0	21.30

(Continued)

**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2017**  
**(in percent)—Continued**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<b>Ecuador</b>						
Insured person	6.74	0	0	2	0	8.74
Employer	0.16	<sup>b</sup> 9	0.2	1	0	<sup>b</sup> 10.36
Total	6.90	<sup>b</sup> 9	0.2	3	0	<sup>b</sup> 19.10
<b>El Salvador</b>						
Insured person	7.25	3.0	<sup>a</sup>	...	0	10.25
Employer	7.75	7.5	<sup>a</sup>	...	0	15.25
Total	15.00	10.5	<sup>a</sup>	...	0	25.50
<b>Grenada</b>						
Insured person	4	<sup>a</sup> 0	0	...	...	4
Employer	4	<sup>a, b</sup>	1	...	...	<sup>b</sup> 5
Total	8	<sup>a, b</sup> 0	1	...	...	<sup>b</sup> 9
<b>Guatemala</b>						
Insured person	1.83	2	1	...	...	4.83
Employer	3.67	4	3	...	...	10.67
Total	5.50	6	4	...	...	15.50
<b>Guyana</b>						
Insured person	5.6	<sup>a</sup>	<sup>a</sup>	...	0	5.6
Employer	8.4	<sup>a</sup>	<sup>a</sup>	...	0	8.4
Total	14.0	<sup>a</sup>	<sup>a</sup>	...	0	14.0
<b>Haiti</b>						
Insured person	6	0	0	...	...	6
Employer	6	<sup>b</sup>	2	...	...	<sup>b</sup> 8
Total	12	<sup>b</sup> 0	2	...	...	<sup>b</sup> 14
<b>Honduras</b>						
Insured person	2.5	2.5	0	0	0	5.00
Employer	3.5	<sup>b</sup> 5.0	<sup>b</sup>	<sup>b</sup> 1.32	0	<sup>b</sup> 9.82
Total	6.0	<sup>b</sup> 7.5	<sup>b</sup> 0	<sup>b</sup> 1.32	0	<sup>b</sup> 14.82
<b>Jamaica</b>						
Insured person	2.5	<sup>a</sup> 0	0	...	0	2.5
Employer	2.5	<sup>a, b</sup>	<sup>a</sup>	...	0	<sup>b</sup> 2.5
Total	5.0	<sup>a, b</sup> 0	<sup>a</sup>	...	0	<sup>b</sup> 5.0

(Continued)

**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2017**  
**(in percent)—Continued**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<b>Mexico</b>						
Insured person	1.75	0.25	0	...	<sup>a</sup> 0	2.0
Employer	6.90	0.70	0.5	...	<sup>a</sup> 1	9.1
Total	8.65	0.95	0.5	...	<sup>a</sup> 1	11.1
<b>Nicaragua</b>						
Insured person	4	2.25	0	...	a	6.25
Employer	10	6.00	3	...	a	19.00
Total	14	8.25	3	...	a	25.25
<b>Panama</b>						
Insured person	9.25	0.5	0	...	0	9.75
Employer	4.25	8.0	b	...	0	<sup>b</sup> 12.25
Total	13.50	8.5	<sup>b</sup> 0	...	0	<sup>b</sup> 22.00
<b>Paraguay</b>						
Insured person	9	a	a	...	...	9.0
Employer	14	a	a	...	...	14.0
Total	23	a	a	...	...	25.5
<b>Peru</b>						
Insured person	13	0	0	...	0	13.00
Employer	0	9	0.63	...	b	<sup>b</sup> 9.63
Total	13	9	0.63	...	<sup>b</sup> 0	<sup>b</sup> 22.63
<b>Saint Kitts and Nevis</b>						
Insured person	5	a	0	...	...	5
Employer	5	a	1	...	...	6
Total	10	a	1	...	...	11
<b>Saint Lucia</b>						
Insured person	5	a	a	...	...	5
Employer	5	a	a	...	...	5
Total	10	a	a	...	...	10
<b>Saint Vincent and the Grenadines</b>						
Insured person	4.5	a	0	...	...	4.5
Employer	5.5	a	0.5	...	...	6.0
Total	10.0	a	0.5	...	...	10.5

(Continued)



**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2017**  
**(in percent)—Continued**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<b>Suriname</b>						
Insured person	2	0	0	...	0	2
Employer	6	<sup>b</sup> 0	<sup>b</sup> 0	...	0	<sup>b</sup> 6
Total	8	<sup>b</sup> 0	<sup>b</sup> 0	...	0	<sup>b</sup> 8
<b>Trinidad and Tobago</b>						
Insured person	4.4	<sup>a</sup> 0	<sup>a</sup> 0	...	0	4.4
Employer	8.8	<sup>a, b</sup>	<sup>a, b</sup>	...	0	<sup>b</sup> 8.8
Total	13.2	<sup>a, b</sup> 0	<sup>a, b</sup> 0	...	0	<sup>b</sup> 13.2
<b>United States</b>						
Insured person	6.2	...	0	0	...	6.20
Employer	6.2	...	<sup>b</sup> 1.35	0.6	...	<sup>b</sup> 8.15
Total	12.4	...	<sup>b</sup> 1.35	0.6	...	<sup>b</sup> 14.35
<b>Uruguay</b>						
Insured person	15.0	<sup>a</sup> 0	0	<sup>a</sup>	<sup>a</sup>	15.0
Employer	7.5	<sup>a, b</sup>	<sup>b</sup>	<sup>a</sup>	<sup>a</sup>	<sup>b</sup> 7.5
Total	22.5	<sup>a, b</sup> 0	<sup>b</sup> 0	<sup>a</sup>	<sup>a</sup>	<sup>b</sup> 22.5
<b>Venezuela</b>						
Insured person	4	<sup>a</sup>	0	0.5	0	4.50
Employer	9	<sup>a</sup>	0.75	2.0	<sup>b</sup>	<sup>b</sup> 11.75
Total	13	<sup>a</sup>	0.75	2.5	<sup>b</sup> 0	<sup>b</sup> 16.25

SOURCE: The country summaries in this volume.

NOTES: This table provides an overview. Contribution rates are not directly comparable across programs and countries. The definition of earnings used to calculate contributions can vary and some rates are subject to contribution floors and ceilings. Contribution rates for self-employed persons and government funding are not represented. In some countries, only certain groups of employed persons, such as wage earners, are represented. When the contribution rate varies, either the average or the lowest rate in the range is used. In most cases, contribution rates for individual accounts do not include administrative fees. In most cases, contributions for medical benefits have been excluded. They are only included in Sickness and Maternity in countries where cash benefits and medical benefits are financed from the same contributions. Where two programs are financed in different ways or with different rates, either the aggregate rate is used or one rate for one program and a footnote for the other, if relevant. If an individual can choose whether to participate in two (or more) programs, the social insurance rate is shown.

... = not applicable.

- a. All or certain benefits are financed under another program.
- b. Employers pay the total cost or provide benefits directly to the insured.
- c. Nonstandard financing. See country profile for specific information.



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# Country Summaries







## Antigua and Barbuda

Exchange rate: US\$1.00 =  
2.70 East Caribbean dollars (EC\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1972 (social insurance), 1973 (old age), 1973 (survivors), 1977 (disability), 1993 (social assistance), 2001 (self-employed persons), and 2013 (collection of contributions).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed and self-employed persons.

Exclusions: A married woman working for her husband, certain family members working for a family business, certain casual workers, foreign diplomats, employees of international organizations, and foreign military personnel residing in Antigua and Barbuda.

**Social assistance:** Needy residents of Antigua and Barbuda.

#### Source of Funds

##### Insured person

**Social insurance:** 5% (gradually rising by 0.25% a year from 2018 until reaching 7% by 2025) (private sector) or 4% (gradually rising by 0.25% a year from 2018 until reaching 6% by 2025) (public sector) of monthly covered earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is EC\$1,420.

The maximum monthly earnings used to calculate contributions are EC\$6,500.

The insured person's contributions also finance sickness (private sector only) and maternity benefits.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 10% of monthly covered earnings.

The minimum monthly earnings used to calculate contributions vary by self-employment category, with the lowest minimum being the legal monthly minimum wage.

The legal monthly minimum wage is EC\$1,420.

The maximum monthly earnings used to calculate contributions are EC\$6,500.

The self-employed person's contributions also finance sickness and maternity benefits.

**Social assistance:** None.

#### Employer

**Social insurance:** 7% (gradually rising by 0.25 a year from 2018 until reaching 9% by 2025) of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is EC\$1,420.

The maximum monthly earnings used to calculate contributions are EC\$6,500.

The employer's contributions also finance sickness (private sector only) and maternity benefits.

**Social assistance:** None.

#### Government

**Social insurance:** None; contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 61 (gradually rising by one year every two years from 2019 to 2025 until reaching age 65) with at least 550 weeks (gradually rising from 2019 to 2025 until reaching 750 weeks) of contributions.

**Old-age settlement (social insurance):** Age 61 with at least 52 weeks but less than 500 weeks of contributions. Social insurance old-age benefits are payable abroad.

**Old-age assistance (social assistance, income tested):** Age 89 (age 60 if blind or disabled) with annual income from all sources of less than EC\$5,000. Must have resided in the country for at least 15 years (20 years if not a citizen).

**Disability pension (social insurance):** Must be younger than the normal retirement age, be assessed with a disability, and have at least 156 weeks of contributions.

The insured's doctor assesses the degree of disability. The Social Security Board's doctor makes a second assessment. If opinions differ, the Chief Medical Officer decides.

**Disability settlement (social insurance):** Must be younger than the normal retirement age, be assessed with a disability, and have at least 52 weeks but less than 156 weeks of contributions.

The insured's doctor assesses the degree of disability. The Social Security Board's doctor makes a second assessment. If opinions differ, the Chief Medical Officer decides.

Disability benefits are payable abroad.

**Survivor pension (social insurance):** The deceased received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a widow who was married to or living with the deceased for at least three years at the time of death, a disabled widower who was married to or living with the deceased for at least three years and was financially dependent on the deceased at the time of death, and unmarried children younger than age 16 (age 18 if a student, no limit if disabled).

**Survivor settlement (social insurance):** The deceased received or was entitled to receive an old-age or disability settlement at the time of death.

Eligible survivors include a widow who was married to or living with the deceased for at least three years at the time of death, a disabled widower who was married to or living with the deceased for at least three years and was financially dependent on the deceased at the time of death, and unmarried children younger than age 16 (age 18 if a student, no limit if disabled).

The widow(er)'s pension ceases upon remarriage.

The survivor pension and settlement are payable abroad.

**Funeral grant (social insurance):** The deceased had at least 26 weeks of paid contributions in the last 12 months or received or was entitled to receive sickness benefits, maternity benefits, or a social insurance old-age or disability pension at the time of death.

### Old-Age Benefits

**Old-age pension (social insurance):** 25% of the insured's average annual earnings plus 1% for each 50-week period of contributions exceeding 550 weeks (gradually rising from 2019 to 2025 until reaching 750 weeks) of contributions is paid, up to 50% of the maximum annual earnings used to calculate benefits.

Average annual earnings are based on the insured's best five years of covered earnings in the last 10 years of work; if the insured has worked less than five years, the average is based on the insured's total earnings.

The maximum monthly earnings used to calculate benefits are EC\$6,500.

The minimum monthly pension is EC\$350.

**Old-age settlement (social insurance):** A lump sum of EC\$1,200 or 75% of total employee and employer contributions, whichever is greater, is paid.

Benefit adjustment: Benefits are adjusted according to actuarial recommendations.

**Old-age assistance (social assistance, income tested):** EC\$255 a month is paid.

### Permanent Disability Benefits

**Disability pension (social insurance):** 25% of the insured's average annual earnings plus 1% for each 50-week period of contributions exceeding 500 weeks of contributions, up to 50% of the maximum annual earnings used to calculate benefits.

Average annual earnings are based on the insured's best five years of covered earnings in the last 10 years of work; if the insured has worked less than five years, the average is based on the insured's total earnings.

The maximum monthly earnings used to calculate benefits are EC\$6,500.

The minimum monthly pension is EC\$350.

**Disability settlement (social insurance):** A lump sum of EC\$1,200 or 75% of total employee and employer contributions, whichever is greater, is paid.

Benefit adjustment: Benefits are adjusted according to actuarial recommendations.

### Survivor Benefits

#### Survivor pension (social insurance)

*Spouse's pension:* 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow. Widows younger than age 50 receive the pension for one year; a disabled widow(er)'s pension continues for the duration of the disability.

The minimum monthly spouse's pension is EC\$350.

*Orphan's pension:* 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to an eligible orphan (reduced proportionately if the deceased had three or more children); 50% for a full orphan.

The minimum monthly orphan's pension is EC\$87.50.

The maximum combined survivor pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Survivor settlement (social insurance):** A lump sum of EC\$1,200 or 75% of total employee and employer contributions, whichever is greater, is paid.

Benefit adjustment: Benefits are adjusted according to actuarial recommendations.

**Funeral grant (social insurance):** A lump sum of EC\$2,500 is paid to the person(s) who paid for the funeral.

### Administrative Organization

Ministry of Finance provides general supervision.

Antigua and Barbuda Social Security Board (<http://www.socialsecurity.gov.ag/>) administers the programs.

## Sickness and Maternity

### Regulatory Framework

**First and current laws:** 1972 (social insurance), 1973 (sickness), 1973 (maternity), and 2010 (medical benefits).

**Type of program:** Social insurance system.

### Coverage

**Cash benefits:** Private-sector employees, self-employed persons, and public-sector employees (cash maternity benefit only).

Exclusions: A married woman working for her husband; certain family members working for a family business; certain casual workers; foreign diplomats; employees of international organizations; and foreign military personnel residing in Antigua and Barbuda.

**Medical benefits:** Legal residents of Antigua and Barbuda.

### Source of Funds

#### Insured person

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** 3.5% of gross covered earnings.

The minimum earnings used to calculate contributions are EC\$100 a week or EC\$400 a month.

There are no maximum earnings used to calculate contributions.

#### Self-employed person

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** 5% of declared earnings, according to three salaried classes set by the Medical Benefits Scheme.

#### Employer

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** 3.5% of gross payroll; 7% for employees with earnings less than EC\$100 a week or EC\$400 a month.

#### Government:

**Cash benefits:** None.

**Medical benefits:** None.

### Qualifying Conditions

**Cash sickness benefit:** Aged 16 to 60 with at least 26 weeks of contributions and at least eight weeks of work in the three calendar months before the incapacity began. The insured must have been employed the day before the incapacity began. The incapacity must not be the result of a work-related injury.

**Cash maternity benefit:** Aged 16 to 60 with at least 26 weeks of contributions in the year before the last six weeks prior to the expected date of childbirth or before the claim is made.

**Maternity grant:** Paid to an insured woman or the wife of an insured man with at least 26 weeks of paid contributions in the year before the expected date of childbirth.

**Medical benefits:** Must have at least 26 weeks of paid contributions in any calendar year or in any 12-month period, be younger than age 16, or be elderly and permanently incapable of work.

### Sickness and Maternity Benefits

**Sickness benefit:** 60% of the insured's average weekly earnings is paid after a three-day waiting period for up to 26 weeks; may be extended for up to an additional 13 weeks with a doctor's certificate.

Average weekly earnings are based on the insured's covered earnings in the three calendar months before the incapacity began.

**Maternity benefit:** 60% of the insured's average weekly earnings is paid for up to 13 weeks beginning no earlier than six weeks before the expected date of childbirth.

Average weekly earnings are based on the insured's covered earnings in the 52 weeks before the last six weeks prior to the expected date of childbirth.

**Maternity grant:** A lump sum of EC\$560 is paid for each child.

### Workers' Medical Benefits

Public health facilities provide medical services under the Medical Benefits Scheme. Benefits under the Medical Benefits Scheme are limited to treatments related to asthma, cancer, cardiovascular diseases, certified mental incapacity, diabetes, glaucoma, hypertension, leprosy, and sickle cell anaemia.

Necessary medical treatment is permitted abroad.

### Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

### Administrative Organization

Ministry of Finance provides general supervision for the cash benefits.

Antigua and Barbuda Social Security Board (<http://www.socialsecurity.gov.ag/>) administers the cash benefits.

Ministry of Health provides general supervision for the medical benefits.

## Antigua and Barbuda

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Medical Benefits Scheme (<http://www.mbs.gov.ag/v2>), supervised by the Ministry of Health and a Board of Directors, administers the medical benefits.

### Work Injury

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#### Regulatory Framework

**First and current law:** 1956 (workmen's compensation).

**Type of program:** Employer-liability system through a public or private carrier.

#### Coverage

Employed persons.

Exclusions: Public-sector workers, police and military personnel, home workers, and self-employed persons.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost (pays insurance premiums).

**Government:** None.

#### Qualifying Conditions

Must be assessed with a work injury or occupational disease. The incapacity must last more than three days.

#### Temporary Disability Benefits

75% of the employee's average weekly or monthly earnings (80% if younger than age 18) is paid until full recovery or for up to five years, whichever occurs earlier.

Average weekly or monthly earnings are based on the employee's covered earnings in the 12 months before the accident occurred or the occupational disease began. If the employee has been employed for less than 12 months, the average earnings may be based on the earnings of a worker in the same type of employment with the same employer, or the employee's earnings when the accident occurred or the occupational disease began, whichever is greater.

Constant-attendance allowance: Up to 50% of the temporary disability benefit is paid if the employee requires the constant attendance of others to perform daily functions. The nature and duration of the attendance must be assessed by a doctor.

#### Permanent Disability Benefits

For a total (100%) disability, a lump sum of 54 months (108 months if younger than age 18) of the employee's average weekly or monthly earnings is paid.

Average weekly or monthly earnings are calculated on the employee's covered earnings in the 12 months before the accident occurred or the occupational disease began. If the employee has been employed for less than 12 months, the average earnings may be based on the earnings of a worker in the same type of employment with the same employer, or the employee's earnings when the accident occurred or the occupational disease began, whichever is the greater.

The maximum permanent disability benefit is EC\$60,000.

Partial disability: For an assessed degree of disability of at least 2% but less than 100%, a percentage of the full lump-sum benefit is paid according to the assessed loss of earnings capacity and the type of disability.

#### Workers' Medical Benefits

Benefits include reimbursement of expenses for medical, surgical, dental, and hospital treatment; nursing care; medicine; appliances including artificial limbs; and transportation.

#### Survivor Benefits

**Survivor benefit:** A lump sum of 42 months of the employee's average weekly or monthly covered earnings may be split among dependent survivors.

The maximum combined survivor benefit is EC\$50,000.

**Funeral grant:** The cost of the funeral is paid.

#### Administrative Organization

Labour Department in the Ministry of Justice, Legal Affairs, Public Safety and Labour provides general supervision.

Courts supervise the agreement between an employer and an employee.

### Unemployment

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#### Regulatory Framework

Under the 1975 Labour Code, employers must provide severance pay of at least one day of basic wages, excluding overtime pay, for every month of employment to employees who are laid off and have been employed for at least one year.



## Argentina

Exchange rate: US\$1.00 = 16.48 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1904 to 1958 (various laws on special categories).

**Current laws:** 1971 (old-age and disability pensions), 1993 (private-sector workers and self-employed persons), 1988 (small contributors), 2008 (pensions adjustment), and 2016 (universal old-age pension).

**Type of program:** Universal, social insurance, and social assistance system.

Note: From 1994 until the end of 2008, there was a mixed system consisting of a first-pillar public pay-as-you-go (PAYG) program and a second pillar of individual accounts. A 2008 law closed the second-pillar individual accounts and transferred all workers and their account balances to the new first-pillar PAYG system (Integrated Argentinian Pension System (SIPA)).

#### Coverage

**Universal:** Residents of Argentina.

**Social insurance:** Employed and self-employed persons.

Voluntary coverage for clergy, directors and shareholders of corporations without mandatory coverage, honorary board members of cooperatives, housewives, and certain other categories of persons.

Exclusions: Certain professional workers hired abroad, including researchers, scientists, and technicians, who work in Argentina for up to two years and are insured in another country.

Special systems for military, security, and police personnel; university professors; teachers; foreign ministry diplomats; scientific researchers; judicial authorities; household workers; and workers in the energy sector.

**Social assistance:** Needy residents of Argentina.

#### Source of Funds

##### Insured person

*Universal:* None.

*Social insurance:* 11% of gross covered earnings.

The minimum monthly earnings used to calculate contributions are 2,224.32 pesos (March 2017).

The maximum monthly earnings used to calculate contributions are 72,289.62 pesos (March 2017).

Contributions are paid monthly. Contributions based on the annual 13th month of salary are paid in two halves in June and December.

*Social assistance:* None.

##### Self-employed person

*Universal:* None.

*Social insurance:* 27% of reference earnings, according to five categories.

Contributions are paid monthly.

Self-employed persons enrolled in a simplified system for small contributors pay a single monthly contribution for social security, according to the level of declared earnings (monotributo); no contributions for certain self-employed persons with annual earnings less than 72,000 pesos (monotributo social).

Small contributors include persons who sell movable goods, provide services, or are members of workers' cooperatives or certain enterprises specified by law with fewer than three workers.

*Social assistance:* None.

##### Employer

*Universal:* None.

*Social insurance:* 10.17% or 12.71% of gross payroll, according to the activity of the enterprise; 16% for public-sector employers.

The minimum monthly earnings used to calculate contributions are 2,224.32 pesos (March 2017).

There are no maximum earnings used to calculate contributions.

Contributions are paid monthly. Contributions based on the annual 13th month of salary are paid in two halves in June and December.

*Social assistance:* None.

##### Government

*Universal:* The total cost.

*Social insurance:* Contributes with general revenue and certain earmarked taxes.

*Social assistance:* The total cost.

#### Qualifying Conditions

**Old-age pension (Pensión Universal para el Adulto Mayor [PUAM], universal):** Age 65 and not receiving any other pension. Naturalized citizens must have at least 10 years of residence immediately before claiming the pension; foreign resident citizens must have at least 20 years of



residence, including 10 years immediately before claiming the pension.

The universal old-age pension is not payable abroad.

**Old-age pension (social insurance):** Age 65 (men) or aged 60 (women) with at least 30 years of contributions. (The insured may substitute two years of age over the retirement age for one year of missing contributions.)

The retirement age and contribution requirements are reduced up to 10 years for hazardous, arduous, or unhealthy occupations.

**Advanced old-age pension (social insurance):** Age 70 with at least 10 years of contributions, including at least five of the last eight years immediately before retirement, and not receiving any other pension. A self-employed person must have been insured for at least five years.

Social insurance old-age pensions are payable abroad under bilateral or multilateral agreement.

**Noncontributory old-age pension (social assistance, means tested):** Age 70 with income and assets below a subsistence level and not receiving any social security benefits or nutritional support from family members. Naturalized citizens must have at least five years of residence immediately before claiming the pension; foreign residents, at least 40 years.

The noncontributory old-age pension is not payable abroad.

**Disability pension (social insurance):** Must be younger than the normal retirement age, have at least a 66% assessed loss of earning capacity, be a regular or qualifying irregular contributor, and not be gainfully employed or receiving other benefits.

Regular contributors must meet the minimum contribution requirements for the social insurance old-age pension or have 30 months of contributions in the 36 months before the disability began.

Qualifying irregular contributors must have 18 months of contributions in the 36 months before the disability began, or meet 50% of the minimum contribution requirements for the social insurance old-age pension (30 years) and have 12 months of contributions in the 60 months before the disability began.

A medical commission assesses the degree of disability.

**Advanced-age disability pension (social insurance):** Age 65 and assessed with at least a 66% loss of earning capacity. Must be a regular or qualifying irregular contributor and not be receiving any other pension.

Regular contributors must meet the minimum contribution requirements for the social insurance old-age pension or have 30 months of contributions in the 36 months before the disability began.

Qualifying irregular contributors must have 18 months of contributions in the 36 months before the disability began, or meet 50% of the minimum contribution requirements

for the social insurance old-age pension (30 years) and have 12 months of contributions in the 60 months before the disability began.

**Noncontributory disability pension (social assistance, means tested):** Must be younger than the normal retirement age, have at least a 76% assessed loss of earning capacity, and not be receiving any other pension or nutritional support from family members. Naturalized citizens must have at least five years of residence immediately before claiming the pension; foreign residents must have at least 20 years of residence.

Doctors at public healthcare facilities assess the degree of disability.

The noncontributory disability pension ceases at the normal retirement age and is replaced by a universal old-age pension.

**Survivor benefits (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Eligible survivors include a widow(er) or partner who lived with the deceased for at least five years (two years if they had children); an unmarried child younger than age 18 who is not receiving benefits; a widowed daughter younger than age 18 who is not receiving benefits; and a child with a disability (no age limit) who was dependent on the deceased.

**Funeral grant (social insurance):** Paid to the person who pays for the insured's funeral.

### Old-Age Benefits

**Old-age pension (Pensión Universal para el Adulto Mayor [PUAM], universal):** 80% of the minimum monthly old-age pension (basic old-age pension, compensatory pension, and additional pension) is paid.

The minimum monthly old-age pension is (basic old-age pension, compensatory pension, and additional pension) 6,394.85 pesos (March 2017).

**Benefit adjustment:** Benefits are adjusted when the minimum old-age pension is adjusted.

**Old-age pension (social insurance):** The benefit is the sum of three components: a basic flat-rate old-age pension, a compensatory pension based on years of contributions and service before July 1, 1994, and an additional pension based on years of contributions since July 1, 1994.

A year of contributions is any year in which the insured had at least six months of contributions.

The monthly basic old-age pension is 3,021.16 pesos (March 2017).

The monthly compensatory pension is 1.5% of the insured's average adjusted monthly covered earnings in the last 10 years (weighted average adjusted amounts for all periods for self-employed persons), multiplied by the number of

years of contributions (up to 35 years) paid before July 1, 1994.

The monthly additional pension is 1.5% of the insured's average adjusted monthly covered earnings in the last 10 years (weighted average adjusted amounts for all periods for self-employed persons), multiplied by the number of years of contributions (up to 35 years) paid since July 1, 1994.

The minimum monthly old-age pension (basic old-age pension, compensatory pension, and the additional pension) is 6,394.85 pesos (March 2017).

The maximum monthly old-age pension (basic old-age pension, compensatory pension, and the additional pension) is 46,849.81 pesos (March 2017).

Schedule of payments: The old-age pension is paid monthly, with a 13th payment equal to the regular monthly payment divided in half and paid in June and December.

**Advanced old-age pension (social insurance):** The benefit is the sum of three components: 70% of the basic flat-rate old-age pension, a compensatory pension based on years of contributions and service before July 1, 1994, and an additional pension based on years of contributions since July 1, 1994.

A year of contributions is any year in which the insured had at least six months of contributions.

The monthly basic old-age pension is 3,021.16 pesos (March 2017).

The monthly compensatory pension is 1.5% of the insured's average adjusted monthly covered earnings in the last 10 years (weighted average adjusted amounts for all periods for self-employed persons), multiplied by the number of years of contributions (up to 35 years) paid before July 1, 1994.

The monthly additional pension is 1.5% of the insured's average adjusted monthly covered earnings in the last 10 years (weighted average adjusted amounts for all periods for self-employed persons), multiplied by the number of years of contributions (up to 35 years) paid since July 1, 1994.

Schedule of payments: The advanced old-age pension is paid monthly, with a 13th payment equal to the regular monthly payment divided in half and paid in June and December.

Benefit adjustment: Benefits are adjusted automatically in March and September based on changes in revenue of the National Social Security Institution (ANSES) and wage indexes.

**Noncontributory old-age pension (social assistance, means tested):** 70% of the minimum monthly old-age pension (basic old-age pension, compensatory pension, and additional pension) is paid.

The minimum monthly old-age pension is (basic old-age pension, compensatory pension, and additional pension) 6,394.85 pesos (March 2017).

Benefit adjustment: Benefits are adjusted when the minimum old-age pension is adjusted.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** The benefit is 70% of the insured's average salary (regular contributor) or 50% of the insured's average salary (qualifying irregular contributor) in the five years before the claim is made.

The minimum monthly disability pension is 6,394.85 pesos (March 2017).

The maximum monthly disability pension is 46,849.81 pesos (March 2017).

Schedule of payments: The disability pension is paid monthly, with a 13th payment equal to the regular monthly payment divided in half and paid in June and December.

**Advanced-age disability pension (social insurance):** The benefit is the sum of three components: 70% of the basic flat-rate old-age pension, a compensatory pension based on years of contributions and service before July 1, 1994, and an additional pension based on years of contributions since July 1, 1994.

A year of contributions is any year in which the insured had at least six months of contributions.

The monthly basic old-age pension is 3,021.16 pesos (March 2017).

The monthly compensatory pension is 1.5% of the insured's average adjusted monthly covered earnings in the last 10 years (weighted average adjusted amounts for all periods for self-employed persons), multiplied by the number of years of contributions (up to 35 years) paid before July 1, 1994.

The monthly additional pension is 1.5% of the insured's average adjusted monthly covered earnings in the last 10 years (weighted average adjusted amounts for all periods for self-employed persons), multiplied by the number of years of contributions (up to 35 years) paid since July 1, 1994.

The minimum monthly advanced-age disability pension is 70% of the minimum monthly old-age pension (basic old-age pension, compensatory pension, and additional pension).

The minimum monthly old-age pension (basic old-age pension, compensatory pension, and additional pension) is 6,394.85 pesos (March 2017).

Schedule of payments: The advanced-age disability pension is paid monthly, with a 13th payment equal to the regular monthly payment divided in half and paid in June and December.

## Argentina

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Benefit adjustment: Benefits are adjusted automatically in March and September based on changes revenue of the National Social Security Administration (ANSES) and wage indexes.

**Noncontributory disability pension (social assistance, means tested):** 70% of the minimum old-age pension (basic old-age pension, compensatory pension, and additional pension) is paid. Additional benefits may be paid for dependents under Family Allowances.

The minimum monthly old-age pension (basic old-age pension, compensatory pension, and additional pension) is 6,394.85 pesos (March 2017).

Benefit adjustment: Benefits are adjusted when the minimum pension is adjusted.

### Survivor Benefits

#### Survivor pension (social insurance)

*Spouse's pension:* 70% of the reference payment, if the deceased was employed at the time of death, or of the social insurance old-age or disability pension the deceased received, is paid to a widow(er) or partner with no or up to one dependent child; 90% for two dependent or disabled children; 100% for three or more dependent or disabled children.

The reference payment is 70% of the deceased's average monthly earnings in the five years before death for regular contributors; 50% for irregular qualifying contributors.

The minimum monthly spouse's pension is 6,394.85 pesos.

The amount paid may be recalculated if the number of eligible survivors changes.

*Orphan's pension:* 20% of the reference payment or the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each eligible child. If there is no eligible widow(er) or partner, the spouse's pension is split equally among the surviving children.

The reference payment is 70% of the deceased's average monthly earnings in the five years before death for regular contributors; 50% for irregular qualifying contributors.

The amount paid may be recalculated if the number of eligible survivors changes.

The maximum combined monthly survivor pension is 46,849.81 pesos (March 2017).

Schedule of payments: Survivor pensions are paid monthly, with a 13th payment equal to the regular monthly payment divided in half and paid in June and December.

Benefit adjustment: Benefits are adjusted automatically in March and September based on changes in revenue of the National Social Security Administration and wage indexes.

**Funeral grant (social insurance):** A lump sum of 6,000 pesos is paid.

### Administrative Organization

Ministry of Labor, Employment, and Social Security (<https://www.argentina.gob.ar/trabajo>) oversees the social insurance system.

National Social Security Administration (<https://www.anses.gob.ar/>) administers the social insurance system.

Ministry of Social Development (<http://www.desarrollosocial.gob.ar/>) oversees the social assistance programs.

National Pension Commission (<http://www.desarrollosocial.gov.ar/>) administers the social assistance pension programs.

Federal Administration of Public Revenue (<http://www.afip.gob.ar/>) collects contributions.

### Sickness and Maternity

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#### Regulatory Framework

**First laws:** 1934 (maternity) and 1944 (sickness).

**Current laws:** 1971 (social services for retired people); 1976 (labor contracts); 1988 (health institutions), implemented in 1989; 1988 (health insurance), implemented in 1989; 1996 (family allowances); 1999 (household workers); 2000 (health institutions deregulation), implemented in 2001; and 2011 (prepaid medicine).

**Type of program:** Social insurance (cash maternity and medical benefits) and employer-liability (cash sickness benefits) system.

Note: Additional maternity benefits are paid under Family Allowances.

#### Coverage

**Social insurance (cash maternity benefit):** Employed women, including temporary, seasonal, and household workers.

Exclusions: Self-employed persons.

**Social insurance (medical benefits):** Employed persons, self-employed persons (small contributors), trainees, unemployed persons, pensioners, and household workers.

Small contributors include persons who sell movable goods, provide services, or are members of workers' cooperatives or certain enterprises specified by law with fewer than three workers.

Voluntary coverage for other persons.

Special systems for military, police, and security personnel; certain provincial and municipal public-sector employees; university professors; employees of the Ministry of Foreign Relations; researchers; and judicial authorities.

**Employer liability (cash sickness benefits):** Public- and private-sector employees.

Exclusions: Self-employed persons.

### Source of Funds

#### Insured person

*Social insurance (cash maternity benefit):* None.

*Social insurance (medical benefits):* 3% of covered earnings plus 1.5% for each eligible dependent other than the spouse or children. Pensioners contribute 3% of the old-age pension up to the minimum monthly old-age pension (basic old-age pension, compensatory pension, and additional pension); 6% for the amount exceeding the minimum monthly old-age pension.

The minimum monthly earnings used to calculate contributions are 4,448.64 pesos (March 2017).

The maximum monthly earnings used to calculate contributions are 72,289.62 pesos (March 2017).

The minimum monthly old-age pension (basic old-age pension, compensatory pension, and additional pension) is 6,394.85 pesos (March 2017).

*Employer liability:* None.

#### Self-employed person

*Social insurance (cash maternity benefit):* Not applicable.

*Social insurance (medical benefits):* A monthly flat rate of 419 pesos plus 419 pesos for each additional family member.

*Employer liability:* Not applicable.

#### Employer

*Social insurance (cash maternity benefit):* See source of funds under Family Allowances.

*Social insurance (medical benefits):* 6% of gross monthly covered earnings.

The minimum monthly earnings used to calculate contributions are 4,448.64 pesos (March 2017).

There are no maximum earnings used to calculate contributions.

*Employer liability:* The total cost.

#### Government

*Social insurance (cash maternity benefit):* See source of funds under Family Allowances.

*Social insurance (medical benefits):* The total cost of public health services for all residents of Argentina.

*Employer liability:* None; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit (employer liability):** Must be currently employed.

**Cash maternity benefit (social insurance):** Must have at least three months of continuous employment before the maternity leave begins or be receiving a work injury or unemployment benefit.

**Medical benefits (social insurance):** There is no minimum qualifying period.

If the insured is no longer employed, coverage is extended for three months if the insured has more than three months of continuous service.

### Sickness and Maternity Benefits

**Sickness benefit (employer liability):** 100% of the employee's salary is paid for up to three months to an employee with less than five years of service; up to six months with at least five years of service. The maximum duration of cash benefits is doubled for employees with dependents.

**Maternity benefit (social insurance):** Three months of the insured's average gross earnings before the maternity leave period is paid for 45 days before and 45 days after the expected date of childbirth; extended for six months if the child is diagnosed with Down syndrome.

The benefit is also paid if the pregnancy ends after at least 180 days of gestation or if the child is stillborn.

### Workers' Medical Benefits

Benefits include medical, hospital, dental, and palliative care; rehabilitation; prostheses; and transportation. A basic basket of benefits is defined by a schedule in law issued by the Ministry of Health and Environment. Insurers may offer more generous plans with additional copayments.

There is no limit to duration, except in the event of hospitalization for psychiatric treatment.

Pharmaceutical products are free during pregnancy, childbirth, and postnatal care; for children until age 1; during hospitalization; and for chronic diseases.

Cost sharing: A copayment is required for medicines (30% for oral antibiotics; 60% for other medicine) and in certain facilities.

There is no cost sharing for pregnancy, childbirth, or postnatal care; for children up to age 1; during hospitalization; or for the treatment of tumors.

Ministry of Health and Environment provides free public health care to all residents through public hospitals.

### Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.



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Eligible dependents include a spouse or cohabiting partner, and unmarried children and other recognized dependents of the spouse or cohabiting partner younger than age 21 (age 25 if a student, no limit if disabled).

### **Administrative Organization**

Ministry of Health (<https://www.argentina.gob.ar/salud>) supervises medical benefits.

Superintendent of Health Services (<https://www.sssalud.gob.ar/>) controls, coordinates, and administers medical benefits.

Authorized health insurance institutions provide medical services. Insured persons are free to choose among health insurance institutions.

National Institute of Social Services for Retirees and Pensioners (<http://www.pami.org.ar/>) provides medical services to elderly people and their dependents.

National Social Security Administration (<https://www.anses.gob.ar/>) supervises and administers cash maternity benefits.

Employers pay cash sickness benefits directly to employees.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1915.

**Current laws:** 1995 (work injury), implemented in 1996; 2009 (work injury); 2012 (work injury); and 2013 (household workers).

**Type of program:** Employer-liability system.

Note: The employer and public institutions can self-insure if they meet certain solvency requirements and can guarantee medical care services.

#### **Coverage**

Public- and private-sector employees, trainees, and household workers.

Exclusions: Self-employed persons.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost (pays insurance premiums or self-insures).

**Government:** None; contributes as an employer.

#### **Qualifying Conditions**

**Work injury benefits:** Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are covered.

**Medical benefits:** There is no minimum qualifying period.

#### **Temporary Disability Benefits**

The monthly benefit is the insured's earnings when the disability began, plus any additional pay increases accorded to workers in an equivalent position while the insured is not working. If earnings were variable, the benefit is the insured's average monthly earnings in the six months before the disability began and must be at least equal to the insured's expected earnings had the injury or accident not occurred. The benefit is paid from the 11th day until recovery or certification of permanent disability. (The employer pays the first 10 days.)

The disability is presumed to be permanent if it continues beyond two years.

A medical commission assesses the degree of disability.

#### **Permanent Disability Benefits**

**Permanent disability benefits:** For a total disability (at least a 66% assessed loss of work capacity), a lump sum of 53 times the insured's monthly base earnings multiplied by the quotient of 65 divided by the insured's age when the disability began is paid.

The monthly base earnings are the insured's average monthly earnings in the 12 months before the disability began.

The minimum permanent disability benefit for a total disability is 1,090,945 pesos (February 2017)

**Additional lump-sum cash benefit:** The basic benefit plus 20% of the sum of the permanent disability benefit and the basic benefit. If the disability is due to an accident while commuting to or from work, only the basic benefit is paid.

The basic benefit is 606,081 pesos (February 2017).

**Constant-attendance allowance:** If the insured has a severe, permanent, total disability and requires the constant attendance of others to perform daily functions, an additional allowance is paid.

**Partial disability benefit:** For an assessed loss of work capacity of less than 66%, a lump sum of 53 times the insured's monthly base earnings multiplied by the assessed loss of work capacity and the quotient of 65 divided by the insured's age when the disability began is paid.

The monthly base earnings are the insured's average declared earnings in the 12 months before the disability began.

The minimum partial disability benefit is 1,090,945 pesos (February 2017) multiplied by the assessed loss of work capacity.

**Additional lump-sum cash benefit:** For an assessed loss or work capacity of at least 50% but less than 66%, the benefit is the basic partial disability benefit plus 20% of the permanent disability benefit and the basic partial disability



benefit. If the disability is due to an accident while commuting to or from work, only the basic partial disability benefit is paid.

The basic partial disability benefit is 484,865 pesos (February 2017).

For an assessed loss of work capacity of less than 50%, 20% of the permanent disability benefit is paid. The additional lump-sum cash benefit is not paid in the case of an accident while commuting to or from work.

A medical commission assesses the degree of loss of work capacity.

The insured may also receive family allowances.

Benefit adjustment: Benefits are adjusted automatically in March and September based on changes in revenue of the National Social Security Administration (ANSES) and wage indexes.

### **Workers' Medical Benefits**

Benefits include medical, pharmaceutical, and orthopedic care; prostheses; rehabilitation; and job retraining.

### **Survivor Benefits**

#### **Survivor pension**

*Spouse and orphan's pension:* A lump sum of at least 1,090.945 pesos (September 2017), plus an additional lump-sum benefit of 727.297 pesos (February 2017), is paid.

The total lump sum is split equally among eligible survivors, including the spouse and children younger than age 21 (up to age 25 if a student).

*Other eligible survivor's pension:* If there is no eligible widow(er) or orphan, the pension is paid to parents or relatives who were dependent on the deceased at the time of death.

The pension is payable abroad under bilateral or multilateral agreement.

Benefit adjustment: Benefits are adjusted automatically in March and September based on changes in revenue of the National Social Security Administration (ANSES) and wage indexes.

### **Administrative Organization**

Ministry of Labor, Employment, and Social Security (<https://www.argentina.gob.ar/trabajo>) is responsible for policy development.

Superintendent of Work Injury (<https://www.srt.gob.ar/>) provides general supervision.

Work injury insurers (ART) are responsible for work injury prevention and administers benefits.

## **Unemployment**

### **Regulatory Framework**

**First law:** 1967.

**Current laws:** 1991 (unemployment insurance), implemented in 1992; 1999 (agricultural workers), implemented in 2004; 2000 (construction workers), implemented in 2001; and 2013 (employment promotion).

**Type of program:** Social insurance system.

### **Coverage**

Private-sector employees, including temporary and casual workers.

Exclusions: Self-employed persons, household workers, public-sector employees, and private-school teachers.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 0.89% or 1.11% of gross payroll, according to the type of enterprise.

The minimum monthly earnings used to calculate contributions are 2,224.32 pesos (March 2017).

There are no maximum earnings used to calculate contributions.

**Government:** None.

### **Qualifying Conditions**

Must have at least six months of contributions in the three years before unemployment; 90 days in the 12 months before unemployment for temporary workers; or 240 days in the last 24 months before unemployment for construction workers.

Extended unemployment benefit: If the unemployed person is aged 45 or older and has children who are eligible for family allowances, the benefit may be extended for up to six months.

Lump-sum benefit: Paid to an unemployed person who intends to set up a business and presents a business plan to the Ministry of Labor, Employment, and Social Security for approval.

The unemployed person must be registered and available for suitable employment and not be receiving any social assistance benefit.

### **Unemployment Benefits**

50% of the insured's best wage in the six months before unemployment is paid for two months if the insured has six to 11 months of contributions; for four months with 12 to 23 months of contributions; for eight months with 24

to 35 months of contributions; and for 12 months with at least 36 months of contributions. For construction workers, the benefit is paid for three months if the insured has eight to 11 months of contributions; for four months with 12 to 17 months of contributions; for eight months with 18 to 24 months of contributions.

The minimum monthly unemployment benefit for salaried employees and construction workers is 1,875 pesos; 1,728 pesos for rural workers (June 2017).

The maximum monthly unemployment benefit for salaried employees and construction workers is 3,000 pesos; 3,456 pesos for rural workers (June 2017).

Extended unemployment benefit: 100% of the monthly unemployment benefit is paid for the first four months; 85% for months five to eight; 70% for months nine to 12 (and for up to six additional months if the benefit payment is extended).

Lump-sum benefit: The remainder of the benefit may be paid as a lump sum after the first monthly payment has been made if at least three monthly payments remain before entitlement ceases.

Unemployment beneficiaries and their dependents receive social assistance medical benefits and family allowances and may continue their health insurance plan during the period of unemployment.

### Administrative Organization

Ministry of Labor, Employment, and Social Security (<https://www.argentina.gob.ar/trabajo>) provides general supervision.

National Social Security Administration (<https://www.anses.gob.ar/>) administers the social insurance program.

National Registry of Agricultural Workers and Employers (<http://www.renatre.org.ar/>) administers the agricultural social insurance program.

Statistics and Registry Institute for the Construction Industry (<https://www.ieric.org.ar/>) administers unemployment insurance for construction workers.

### Family Allowances

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#### Regulatory Framework

**First law:** 1957.

**Current laws:** 1996 (family allowances), implemented in 1996; 2009 (universal child allowance); and 2011 (universal pregnancy allowance).

**Type of program:** Social insurance and social assistance system.

### Coverage

**Social insurance:** Private-sector and federal public-sector employees, pensioners, temporary workers, and beneficiaries of work injury or unemployment programs.

Exclusions: Self-employed persons.

Special system for household workers.

**Social assistance:** Needy residents of Argentina and prisoners under certain conditions.

### Source of Funds

#### Insured person

**Social insurance:** None.

**Social assistance:** None.

#### Self-employed person

**Social insurance:** Not applicable.

**Social assistance:** None; for self-employed persons enrolled in a simplified system for small contributors, see source of funds under Old-age, Disability, and Survivors.

#### Employer

**Social insurance:** 4.44% or 5.56% of gross payroll, according to the type of enterprise.

The minimum monthly earnings used to calculate contributions are 2,224.32 pesos (June 2017).

There are no maximum earnings used to calculate contributions.

The employer's contributions also finance maternity benefits (see Sickness and Maternity).

**Social assistance:** None.

#### Government

**Social insurance:** None.

**Social assistance:** The total cost.

### Qualifying Conditions

**Child benefit (social insurance, income tested):** Paid to an employed person, a pensioner, or a work injury (ART) or unemployment beneficiary for each unmarried child younger than age 18.

The benefit is paid to one of the parents or guardians.

Income test: The monthly income of each family member must not exceed 36,804 pesos; the total monthly family income must not exceed 73,608 pesos.

**Disabled child benefit (social insurance):** Paid to an employed person, a pensioner, or a work injury (ART) or unemployment beneficiary for each child with a disability of any age. Unemployed temporary workers or temporary workers without any income must have at least three

months of service with contributions in the last 12 months, or the equivalent of 90 effective working days.

The benefit is paid to one of the parents or guardians.

**Prenatal allowance (social insurance, income tested):**

Paid to a pregnant, employed woman or for the pregnant wife or cohabiting partner of an employed man with current, continuous employment for at least three months or who is a work injury (ART) or unemployment beneficiary.

Income test: The monthly income of each family member must not exceed 36,804 pesos; the total monthly family income must not exceed 73,608 pesos.

**School allowance (social insurance, income tested):**

Paid to persons who qualify for a child benefit or a disabled child benefit. Certification of the child's regular school attendance or rehabilitation must be provided at the beginning of the year.

Income test: The monthly income of each family member must not exceed 36,804 pesos; the total monthly family income must not exceed 73,608 pesos.

**Birth grant (social insurance, income tested):** Paid to an employed person with current, continuous employment for at least six months or to a work injury (ART) or unemployment beneficiary for the birth of a child. The grant is paid to one of the parents or guardians.

Income test: The monthly income of each family member must not exceed 36,804 pesos; the total monthly family income must not exceed 73,608 pesos.

**Adoption grant (social insurance, income tested):** Paid to an employed person with current, continuous employment for at least six months or to a work injury (ART) or unemployment beneficiary for the adoption of a child. The grant is paid to one of the adopting parents.

Income test: The monthly income of each family member must not exceed 36,804 pesos; the total monthly family income must not exceed 73,608 pesos.

**Marriage grant (social insurance, income tested):** Paid upon marriage to an employed person with current, continuous employment for at least six months or to a work injury (ART) or unemployment beneficiary. The grant is paid to each spouse who meets the qualifying conditions.

Income test: The monthly income of each family member must not exceed 36,804 pesos; the total monthly family income must not exceed 73,608 pesos.

**Spouse's or partner's grant (social insurance, income tested):** Paid to the spouse or partner of a social insurance old-age or disability pensioner.

Income tested: The monthly income of each family member must not exceed 36,804 pesos; the total monthly family income must not exceed 73,608 pesos.

**Universal child allowance (social assistance, income tested):** Paid to informal workers with income below the

legal monthly minimum wage; unemployed persons without coverage; seasonal workers; persons who are incarcerated; household workers; and certain categories of self-employed workers. The benefit is paid to either a parent, tutor, curator, or relative up to the third degree for each child younger than age 18 (no limit if disabled), up to five children. The beneficiaries must fulfill certain health and education requirements and must not receive other benefits. Foreign residents must have at least three years of residence immediately before claiming the allowance.

The legal monthly minimum wage is 8,860 pesos (increasing to 9,200 pesos in January 2018, and 10,000 pesos in July 2018).

**Universal pregnancy allowance (social assistance, income tested):** Paid for each pregnancy to informal workers with income below the legal monthly minimum wage; unemployed persons without health insurance coverage and whose spouse or cohabiting partner is also unemployed; seasonal workers; persons who are incarcerated; household workers; and certain categories of self-employed workers. The woman must enroll in the prenatal and early childhood health program Plan NACER or SUMAR, meet the program's medical requirements, and carry a card that documents the monitoring of the pregnancy. Foreign residents must have at least three years of residence immediately before claiming the allowance.

**Noncontributory mother's pension (social assistance, means tested):** Paid to a mother of seven or more children (natural or adopted) with income and assets below a subsistence level and who does not receive any social security benefits or support from family members. Naturalized citizens must have at least one year of residence immediately before claiming the pension; foreign residents, at least 15 years.

### **Family Allowance Benefits**

**Child benefit (social insurance, income tested):**

258 pesos to 2,689 pesos a month is paid, according to the insured's income (in some cases, including cash benefits) and region.

**Disabled child benefit (social insurance):** 1,811 pesos to 8,123 pesos a month is paid, according to the insured's income (in some cases, including cash benefits) and region.

**Prenatal allowance (social insurance, income tested):** 258 pesos to 2,689 pesos a month is paid, according to the insured's income (in some cases, including cash benefits) and region. The benefit is paid from the time of conception to the expected date of childbirth or end of the pregnancy.

**School allowance (social insurance, income tested):** 1,043 pesos to 2,083 pesos a year is paid, according to the insured's income (in some cases, including cash benefits) and region.

## Argentina

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**Birth grant (social insurance, income tested):** A lump sum of 1,452 pesos is paid.

**Adoption grant (social insurance, income tested):** A lump sum of 8,703 pesos is paid.

**Marriage grant (social insurance, income tested):** A lump sum of 2,176 pesos is paid.

**Spouse's or partner's grant (social insurance, income tested):** 299 pesos or 597 pesos a month is paid, according to the insured's income (in some cases, including cash benefits) and region.

**Universal child allowance (social assistance, income tested):** 1,246 pesos or 1,620 pesos a month, according to the region, is paid for each eligible child; 4,064 pesos or 5,284 pesos a month for a child with a disability.

**Universal pregnancy allowance (social assistance, income tested):** 1,246 pesos or 1,620 pesos a month,

according to the region, is paid from the third month of pregnancy until childbirth.

**Noncontributory mother's pension (social assistance, means tested):** 6,394.85 pesos a month is paid.

### **Administrative Organization**

Ministry of Labor, Employment, and Social Security (<https://www.trabajo.gov.ar>) is responsible for policy development.

National Social Security Administration (<https://www.anses.gob.ar/>) supervises and administers the social insurance and social assistance programs.

Federal Administration of Public Revenue (<http://www.afip.gob.ar/>) collects contributions.

## Bahamas

Exchange rate: US\$1.00 =  
1.00 Bahamian dollar (B\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1956 (old-age noncontributory pensions) and 1967 (public assistance for disability).

**Current law:** 1972 (national insurance).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed and self-employed persons. Voluntary coverage is available.

**Social assistance:** Needy residents of the Bahamas.

#### Source of Funds

##### Insured person

**Social insurance and social assistance:** 3.9% of weekly covered earnings; 5% of average weekly wages or income, based on the insured's wages or income in the year before registration, for the voluntarily insured.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$33,800.

The insured person's mandatory contributions also finance cash sickness, maternity, and unemployment benefits, and cash and in-kind work injury benefits. The voluntarily insured person's contributions also finance the maternity grant.

##### Self-employed person

**Social insurance and social assistance:** 6.8% of covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$33,800.

The self-employed person's contributions also finance cash sickness and maternity benefits.

##### Employer

**Social insurance and social assistance:** 5.9% of covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$33,800.

The employer's contributions also finance cash sickness, maternity, and unemployment benefits, and cash and in-kind work injury benefits.

#### Government

**Social insurance and social assistance:** None; contributes as an employer.

#### Qualifying Conditions

##### Old-age pension (social insurance, earnings tested):

Age 65 with at least 500 weeks of paid contributions.

Early pension: Aged 60 to 64 with at least 500 weeks of paid contributions.

Deferred pension: The pension may be deferred up to age 69.

The benefit is paid locally for insured persons who live abroad.

**Old-age grant (social insurance):** Age 65 with at least 150 weeks but less than 500 weeks of paid contributions.

**Noncontributory old-age pension (social assistance, income tested):** Age 65 and does not qualify for the social insurance old-age pension.

Employment must cease.

**Disability pension (social insurance):** Must be younger than the normal retirement age, be assessed with a permanent incapacity for any work, and have at least 150 weeks of paid contributions.

**Disability assistance (social assistance, income tested):** Must be assessed with a disability and not be receiving or entitled to receive the social insurance disability pension.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Eligible survivors include a dependent widow(er) who was married to the deceased and is disabled or aged 40 or older and incapable of gainful employment; a dependent widow(er) who was caring for a child younger than age 16 (age 21 if a student, no limit if disabled) at the time of death; a dependent widow who was pregnant with the deceased's child at the time of death; dependent children younger than age 16 (age 21 if a student, no limit if disabled); and dependent parents who are disabled or aged 40 or older and incapable of gainful employment.

**Survivor grant (social insurance):** The deceased had at least 150 weeks of paid contributions at the time of death.



## Bahamas

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Eligible survivors include a widow(er) who was married to the deceased for at least a year but who does not qualify for a survivor pension.

**Survivor assistance (social assistance, income tested):** The deceased did not qualify for a social insurance old-age or disability pension.

Eligible survivors include a dependent widow(er); dependent children younger than age 16 (age 21 if a student, no limit if disabled); and dependent parents.

**Funeral benefit (social insurance):** Paid when the insured or the insured's spouse dies if the insured has at least 50 weeks of paid contributions.

### Old-Age Benefits

**Old-age pension (social insurance, earnings tested):** 30% of the insured's covered wage is paid with at least 500 weeks of paid or credited contributions. The pension is increased by 1% of the covered wage for each 50-week period of paid or credited contributions exceeding 500 weeks, up to 60%.

The covered wage is based on the insured's average weekly earnings in the best five years of contributions in which at least 26 contributions were made.

Earnings test: The pension is suspended if the insured's weekly income is B\$325 or above.

Early pension: The old-age pension is reduced by 0.58% for each month the insured is younger than age 65 at the time of the claim.

Deferred pension: The benefit is increased by 0.58% for each month the insured is older than age 65 at the time of the claim, up to 35%.

The minimum weekly old-age pension is B\$67.85.

There is no maximum old-age pension.

**Old-age grant (social insurance):** A lump sum of six times the number of 50-week periods of paid contributions multiplied by the insured's covered wage is paid.

The covered wage is based on the insured's average weekly earnings in the best five years of contributions in which at least 26 contributions were made.

**Noncontributory old-age pension (social assistance, income tested):** B\$62.42 a week is paid.

### Permanent Disability Benefits

**Disability pension (social insurance):** 30% of the insured's covered wage is paid with at least 500 weeks of paid or credited contributions; 15% to 28% with 150 to 499 weeks. The pension is increased by 1% of the covered wage for each 50-week period of paid or credited contributions exceeding 500 weeks, up to 60%.

The covered wage is based on the insured's average weekly earnings in the best three years of contributions in which at least 26 contributions were made.

The maximum annual wage used to calculate benefits is B\$33,800.

The minimum weekly disability pension is B\$73.28.

There is no maximum disability pension.

**Disability assistance (social assistance, income tested):** B\$62.42 a week is paid.

### Survivor Benefits

#### Survivor pension (social insurance)

*Spouse's pension:* 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er).

The minimum weekly spouse's pension is B\$73.28.

There is no maximum spouse's pension.

*Orphan's pension:* 10% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for each eligible child, up to five children (if the widow(er) receives a spouse's pension) or 10 children (if the widow(er) does not receive a spouse's pension); B\$33.92 a week is paid for each full orphan.

The minimum weekly orphan's pension is B\$29.85.

There is no maximum orphan's pension.

*Other eligible survivor's pension:* If there is no eligible widow(er) or orphan, 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible parent.

The minimum weekly survivor pension is B\$73.28.

There is no maximum survivor pension.

The maximum combined survivor benefit is 100% of the social insurance old-age or disability pension the deceased received or was entitled to receive.

**Survivor grant (social insurance):** A lump sum of one year of the social insurance old-age or disability benefit the deceased received or was entitled to receive is paid.

**Survivor assistance (social assistance, income tested):** B\$62.42 a week is paid to persons aged 18 or older; B\$24.96 a week to children younger than age 18.

**Funeral benefit (social insurance):** A lump sum of up to B\$1,780 is paid to the person who pays for the funeral.

### Administrative Organization

Ministry of Labour and National Insurance (<http://www.bahamas.gov.bs/labour/>) provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com/>) administers the program and collects contributions.

## Sickness and Maternity

### Regulatory Framework

**First and current laws:** 1972 (national insurance), 1998 (hospitals and health care), 2009 (chronic diseases drug fund), and 2016 (national health insurance).

**Type of program:** Universal (medical benefits), social insurance (cash benefits) and social assistance (medical benefits) system.

Note: National Health Insurance Act creating a social insured health system was passed in 2016 but has not yet been fully implemented. It will provide free primary health care services for enrolled legal residents of the Bahamas.

### Coverage

**Universal (National Prescription Drug Plan, medical benefits):** Old-age, disability, and survivor pensioners, persons aged 65 or older, children up to age 18 (age 25 if a full-time student), needy persons, public-sector employees, and women receiving prenatal or postnatal care.

**Social insurance (cash benefits):** Employed and self-employed persons. Voluntarily insured persons are covered for the maternity grant and funeral benefit only.

**Social assistance (medical benefits):** Residents of the Bahamas.

### Source of Funds

#### Insured person

*Universal and social assistance (medical benefits):* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

#### Self-employed person

*Universal and social assistance (medical benefits):* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

#### Employer

*Universal and social assistance (medical benefits):* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

#### Government

*Universal and social assistance (medical benefits):* The total cost.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have been employed on the day of or on the day before the

incapacity began and have at least 40 weeks of paid contributions, including 26 weeks of paid or credited contributions in the year immediately before the incapacity began or in the last contribution year, or 13 weeks of paid or credited contributions in the 26 weeks immediately before the incapacity began.

**Sickness allowance (social insurance, means tested):** Must be temporarily unable to work due to illness, have at least one week of paid contributions, and not qualify for the social insurance cash sickness benefit.

**Cash maternity benefit (social insurance):** Must have at least 50 weeks of contributions, including 26 weeks of paid or credited contributions in the last year of contributions or in the 40 weeks before the benefit is paid.

**Maternity grant (social insurance):** Must have at least 50 weeks of paid contributions. The benefit is paid to an insured woman or the wife of an insured man.

**Medical benefits (National Prescription Drug Plan, universal):** Must be certified by a registered medical practitioner as suffering from one or more of 14 listed chronic diseases.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 60% of the insured's average weekly covered earnings is paid after a three-day waiting period for up to 26 weeks; may be extended for 14 weeks in certain circumstances.

The minimum weekly sickness benefit is B\$73.28.

There is no maximum sickness benefit.

**Sickness allowance (social insurance, means tested):** B\$62.42 a week is paid.

**Maternity benefit (social insurance):** 66.6% of the insured's average weekly covered earnings is paid for 13 weeks beginning no earlier than six weeks before the expected date of childbirth; may be extended for two weeks in certain circumstances.

The minimum weekly maternity benefit is B\$73.28.

There is no maximum maternity benefit.

**Maternity grant (social insurance):** A lump sum of B\$480 is paid for each live birth.

### Workers' Medical Benefits

**Medical benefits (National Prescription Drug Plan, universal):** Free medicine and wellness programs are provided.

**Medical benefits (social assistance):** Public and private medical care is available at public hospitals and clinics. Government subsidizes the cost of primary care for civil servants, children, pregnant women, persons older than age 60, and needy persons.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### **Administrative Organization**

Ministry of Labour and National Insurance (<http://www.bahamas.gov.bs/labour/>) provides general supervision of cash benefits.

National Insurance Board (<http://www.nib-bahamas.com/>) administers the cash benefits program and collects contributions.

Ministry of Health (<http://www.bahamas.gov.bs/health/>) provides general supervision and administers primary health care benefits.

National Insurance Board's Medical Benefits Branch (<http://www.nib-bahamas.com/>) administers the National Prescription Drug Plan.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1943 (workmen's compensation).

**Current law:** 1972 (national insurance).

**Type of program:** Social insurance system.

#### **Coverage**

Employed and self-employed persons.

Exclusions: Family labor.

#### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** 2% of covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$33,800.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

#### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease that leads to an inability to work. There are no minimum contribution requirements.

### **Temporary Disability Benefits**

66.6% of the insured's average weekly covered earnings is paid after a three-day waiting period for up to 40 weeks.

The minimum weekly temporary disability benefit is B\$73.28.

The maximum weekly temporary disability benefit is B\$433.33.

### **Permanent Disability Benefits**

**Permanent disability pension:** For a total (100%) disability, 66.6% of the insured's average weekly covered earnings is paid. A lump sum of B\$1,000 is also paid.

The minimum weekly benefit for a total disability is B\$73.28.

The maximum weekly benefit for a total disability is B\$433.33.

**Constant-attendance supplement:** If the insured is assessed with a total (100%) disability and requires the constant attendance of others to perform daily functions, 20% of the permanent disability pension is paid.

**Partial disability:** For an assessed degree of disability of at least 25% but less than 100%, a reduced permanent disability pension is paid, according to the assessed degree of disability. A lump sum of B\$500 is also paid.

The minimum weekly partial disability benefit is B\$62.42.

There is no maximum partial disability benefit.

**Lump-sum grant:** For an assessed degree of disability of 1% to 24%, a lump sum of B\$100 to B\$2,400 is paid, according to the assessed degree of disability.

### **Workers' Medical Benefits**

Benefits (including hospitalization, general and specialist care, medicine, and transportation) are paid for up to 40 weeks (for an assessed degree of disability of up to 25%) or two years (for an assessed degree of disability of more than 25%).

### **Survivor Benefits**

#### **Survivor pension**

**Spouse's pension:** 50% of the temporary disability pension the deceased received or was entitled to receive is paid.

The minimum weekly spouse's pension is B\$73.28.

**Orphan's pension:** 10% of the temporary disability pension the deceased received or was entitled to receive is paid for each dependent child younger than age 16 (age 21 if a full-time student), up to five children (if the widow(er) receives a survivor pension) or 10 children (if the widow(er) does not receive a survivor pension).

The minimum weekly orphan's pension is B\$29.85.

**Industrial death benefit:** A lump sum of one month of the spouse's or orphan's pension is paid.

**Industrial funeral benefit:** A lump sum of B\$1,780 is paid to the person who paid for the funeral.

### **Administrative Organization**

Ministry of Labour and National Insurance (<http://www.bahamas.gov.bs/labour/>) provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com/>) administers the program and collects contributions.

## **Unemployment**

### **Regulatory Framework**

**First and current law:** 2009 (national insurance), implemented in 2009 and 2010.

**Type of program:** Social insurance system.

### **Coverage**

Employed persons younger than age 65.

Exclusions: Self-employed persons.

### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** Not applicable.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** Any deficit; contributes as an employer.

### **Qualifying Conditions**

Must have at least 52 weeks of paid contribution, at least 13 weeks of paid or credited contributions in the 26 weeks before unemployment began, and at least seven weeks of paid or credited contributions in the 13 weeks before unemployment began.

To remain eligible, the insured must register with the labor exchange every four weeks, be available and looking for work, and accept suitable employment.

### **Unemployment Benefits**

50% of the insured's average weekly covered earnings is paid after a three-day waiting period for up to 13 weeks (may be extended in certain circumstances) in any 52-week period.

After receiving benefits for 13 weeks in any 52-week period, the insured must wait 52 weeks to be eligible for another claim.

The minimum weekly unemployment benefit is B\$73.28.

The maximum weekly unemployment benefit is B\$325.

Schedule of payments: The benefit is paid every two weeks.

### **Administrative Organization**

Ministry of Labour and National Insurance (<http://www.bahamas.gov.bs/labour/>) provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com/>) administers the program and collects contributions.

## Barbados

Exchange rate: US\$1.00 =  
2.02 Barbadian dollars (B\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1937 (social assistance).

**Current laws:** 1966 (social insurance) and 2007 (catastrophe fund).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed and self-employed persons, including public-sector employees.

Exclusions: Unpaid family labor.

Voluntary coverage is available.

**Social assistance:** Residents of Barbados.

#### Source of Funds

##### Insured person

**Social insurance:** 6.75% of covered earnings (6.2% for permanent government employees; 5.93% for foreign service help; 8.3% for the voluntarily insured) plus 0.1% for the catastrophe fund.

The minimum weekly earnings used to calculate contributions are B\$21; the minimum monthly earnings are B\$91.

The maximum weekly earnings used to calculate contributions are B\$1,073; the maximum monthly earnings are B\$4,650.

The insured's contributions also finance sickness and maternity benefits.

The catastrophe fund provides financial aid to low-income earners whose house is damaged or destroyed by a catastrophe.

**Social assistance:** 2% of covered earnings.

##### Self-employed person

**Social insurance:** 13.5% of quarterly covered earnings plus 0.1% for the catastrophe fund.

The minimum annual earnings used to calculate contributions are B\$1,092.

The maximum annual earnings used to calculate contributions are B\$55,796.

The self-employed person's contributions also finance sickness and maternity benefits.

The catastrophe fund provides financial aid to low-income earners whose house is damaged or destroyed by a catastrophe.

**Social assistance:** 2% of quarterly covered earnings.

##### Employer

**Social insurance:** 6.75% of covered earnings (6.2% for permanent government employees; 5.93% for foreign service help) of covered payroll.

The minimum weekly earnings used to calculate contributions are B\$21; the minimum monthly earnings are B\$91.

The maximum weekly earnings used to calculate contributions are B\$1,073; the maximum monthly earnings are B\$4,650.

The employer's contributions also finance sickness and maternity benefits.

**Social assistance:** 2% of covered payroll.

##### Government

**Social insurance:** None; contributes as an employer.

**Social assistance:** Any deficit.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 66 and 6 months (rising to age 67 in 2018) with at least 500 weeks of paid or credited contributions, including at least 150 weeks of paid contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, and work injury benefits, and during the three-day waiting period for sickness benefits if the related claim periods last at least two weeks.

Early pension: Age 60 and no longer employed or self-employed.

Deferred pension: The pension may be deferred until age 70.

**Old-age grant (social insurance):** Age 66 and 6 months (rising to age 67 in 2018) with at least 50 weeks but less than 500 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, and work injury benefits, and during the three-day waiting period for sickness benefits if the related claim periods last at least two weeks.

Social insurance old-age benefits are payable abroad.

**Noncontributory old-age pension (social assistance):** Age 66 and 6 months (rising to age 67 in 2018), a resident of Barbados for 12 years (citizens) or 15 years (permanent residents) since age 40 or a total of 20 years since age 18,



and does not meet the contribution requirements for the social insurance old-age pension or an old-age pension from a foreign government or international organization.

**Disability pension (social insurance):** Must be younger than normal retirement age, be incapable of any work, and have at least 150 weeks of paid contributions.

**Disability grant (social insurance):** Must be younger than normal retirement age, be incapable of any work, and have at least 50 weeks of paid or credited contributions but less than 150 weeks of paid contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, and work injury benefits, and during the three-day waiting period for sickness benefits if the related claim periods last at least two weeks.

Disability benefits are not payable abroad.

**Noncontributory disability pension (social assistance, income tested):** Must be aged 18 or older; be assessed with an incapacity for work as the result of a serious problem with eyesight, or hearing and speech; and have weekly earnings up to B\$30.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Eligible survivors include a widow(er) and children up to age 16 (age 25 if a student; no limit if disabled) who were living with or totally dependent on the deceased.

The widow(er)'s pension ceases upon remarriage or cohabitation.

**Funeral grant (social insurance):** The deceased or his or her spouse received or was entitled to receive social insurance old-age, disability, sickness, maternity, or unemployment benefits.

Survivor benefits are payable abroad.

### **Old-Age Benefits**

**Old-age pension (social insurance):** For insured persons aged 56 or older on December 31, 2002, 40% of average annual earnings plus 1% of total covered earnings for contributions exceeding 500 weeks is paid.

For insured persons younger than age 47 on December 31, 2002, 2% of average annual earnings for the first 20 years of contributions plus 1.25% of average annual earnings for each year exceeding 20 years is paid.

For insured persons aged 47 to 55 on December 31, 2002, 50% of the pension is based on the first method of calculation and 50% on the second.

Average annual earnings are based on the insured's covered earnings in the best five years of contributions; if the

number of years worked is less than 15 years, the average is based on the insured's total covered earnings.

The maximum weekly earnings used to calculate benefits are B\$1,073; the maximum monthly earnings used to calculate benefits are B\$4,650.

The minimum weekly pension is B\$190.

The maximum weekly pension is 60% of average covered earnings, up to B\$647.90.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

**Old-age grant (social insurance):** A lump sum of six weeks of average annual earnings is paid for each 50-week period of paid or credited contributions.

Average annual earnings are based on the insured's covered earnings in the best five years of contributions; if the number of years worked is less than 15 years, the average is based on the insured's total covered earnings.

**Noncontributory old-age pension (social assistance):** B\$155 a week is paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** 40% of the insured's average annual earnings plus 1% of total covered earnings for contributions exceeding 500 weeks is paid.

Average annual earnings are based on the insured's covered earnings in the best three years of contributions; if the number of years worked is less than 15 years, the average is based the insured's on total covered earnings.

The maximum weekly earnings used to calculate benefits are B\$1,073; the maximum monthly earnings are B\$4,650.

The minimum weekly pension is B\$190.

The maximum weekly pension is 60% of average covered earnings, up to B\$647.90.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

**Disability grant (social insurance):** A lump sum of six weeks of the insured's average covered earnings for each 50-week period of paid or credited contributions is paid.

Average annual earnings are based on the insured's covered earnings in the best three years of contributions; if the number of years worked is less than 15 years, the average is based the insured's on total covered earnings.

**Noncontributory disability pension (social assistance, income tested):** The weekly pension is B\$155.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

## Survivor Benefits

### Survivor pension (social insurance)

*Spouse's pension:* 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) aged 50 or older (at any age if disabled) who was married to the deceased for at least three years; 33% to a widow(er) aged 45 to 49. A limited pension is paid for 12 months to a widow(er) younger than age 50 or a widow who was married to the deceased for less than three years.

The maximum weekly spouse's pension is B\$324.00.

*Orphan's pension:* 16.67% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each child younger than age 16 (age 25 if a student); 33.3% if a full orphan or disabled.

The maximum weekly orphan's pension is B\$216.00.

The maximum combined survivor benefit is 100% of the old-age or disability pension the deceased received or was entitled to receive at the time of death.

**Funeral grant (social insurance):** A lump sum of B\$2,120 is paid to the person who pays for the funeral.

**Benefit adjustment:** Benefits are adjusted annually according to changes in the cost of living.

### Administrative Organization

Ministry of Labour, Social Security, and Human Resource Development (<https://labour.gov.bb/>) provides general supervision.

National Insurance Office (<http://www.nis.gov.bb/>), directed by a tripartite board, collects contributions and administers the program.

## Sickness and Maternity

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### Regulatory Framework

**First and current laws:** 1966 (social insurance), 1969 (medical care), and 1980 (medicine).

**Type of program:** Universal (medical benefits) and social insurance (cash benefits) system.

### Coverage

**Universal (medical benefits):** Residents of Barbados.

**Social insurance (cash benefits):** Employed and self-employed persons. Permanent government employees are covered for cash maternity benefits only.

Exclusions: Unpaid family labor.

## Source of Funds

### Insured person

*Universal (medical benefits):* None.

*Social insurance (cash benefits):* See source of funds under Old Age, Disability, and Survivors.

### Self-employed person

*Universal (medical benefits):* None.

*Social insurance (cash benefits):* See source of funds under Old Age, Disability, and Survivors.

### Employer:

*Universal (medical benefits):* None.

*Social insurance (cash benefits):* See source of funds under Old Age, Disability, and Survivors.

### Government

*Universal (medical benefits):* The total cost.

*Social insurance (cash benefits):* None; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit:** Must be aged 16 or older but younger than the normal retirement age; have been employed immediately before the incapacity began; and have at least seven weeks of paid contributions in the second to last quarter before the incapacity began. Insured persons who were on leave or unemployed at the time the incapacity began must have an additional 39 weeks of paid or credited contributions in the four consecutive quarters ending in the second to last quarter before the incapacity began.

Contributions are credited for each complete contributory week the insured received sickness, maternity, and work injury benefits, and during the three-day waiting period for sickness benefits if the related claim periods last at least two weeks.

**Cash maternity benefit:** Paid to employed women with at least 26 weeks of contributions, including 16 weeks of paid contributions in the two consecutive quarters ending in the second to last quarter before the benefit is paid.

Self-employed women must have at least 39 weeks of paid or credited contributions in the four consecutive quarters ending in the second to last quarter before the benefit is paid; and 16 weeks of paid contributions in the two consecutive quarters ending in the second to last quarter before the benefit is paid.

Contributions are credited for each complete contributory week the insured received sickness, maternity, and work injury benefits, and during the three-day waiting period for sickness benefits if the related claim periods last at least two weeks.

**Cash maternity grant:** Paid for an uninsured woman or an insured woman who does not qualify for cash maternity benefits but whose spouse qualifies.

Sickness and maternity benefits are payable abroad only in cases where the insured has left temporarily to receive medical treatment.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 66.67% of the insured's average weekly covered earnings is paid after a three-day waiting period for up to 26 weeks; may be extended for an additional 26 weeks if the insured has at least 150 weeks of paid contributions, including 75 weeks of contributions in the three years before the year the incapacity began. The waiting period is waived if the incapacity lasts at least 14 days.

Average weekly earnings are based on the insured's covered earnings in the contribution period used to qualify for the sickness benefit; special rules apply when periods of incapacity are separated by 13 or fewer weeks.

The maximum weekly sickness benefit is B\$715.33.

**Maternity benefit:** 100% of the insured's average weekly covered earnings is paid for up to six weeks before and six weeks after the expected date of childbirth.

Average weekly earnings are based on the insured's covered earnings in the contribution period used to qualify for the maternity benefit.

The maximum weekly maternity benefit is B\$1,073.

**Maternity grant:** A lump sum of B\$1,220 is paid.

### **Workers' Medical Benefits**

Free medical care is available in public hospitals and health centers. Benefits include general practitioner services; maternity, dental, and eye care; HIV/AIDS prevention, treatment, and care; mental health services; geriatric care; nutrition services; and acute and emergency care.

The Barbados Drug Service provides free medicine to persons suffering from certain chronic conditions (hypertension, diabetes, cancer, epilepsy, glaucoma, and asthma), persons aged 65 or older; children younger than age 16; and certain persons aged 16 to 64. A dispensing fee may be charged in private pharmacies.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for workers.

## **Administrative Organization**

### **Cash benefits**

Ministry of Labour, Social Security, and Human Resource Development (<https://labour.gov.bb/>) is responsible for policy.

National Insurance Office (<http://www.nis.gov.bb/>), directed by a tripartite board, collects contributions and administers the program.

### **Medical benefits**

Ministry of Health (<http://www.health.gov.bb/>) is responsible for policy and delivers medical benefits.

## **Work Injury**

### **Regulatory Framework**

**First law:** 1916 (workmen's compensation).

**Current law:** 1966 (social insurance).

**Type of program:** Social insurance system.

### **Coverage**

Employed persons, including public-sector employees and some categories of fishermen.

Exclusions: Self-employed persons and unpaid family labor.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 0.75% of payroll.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

### **Temporary Disability Benefits**

90% of the insured's average weekly earnings is paid after a three-day waiting period for up to 52 weeks. The waiting period is waived if the disability lasts at least 14 days.

Average weekly earnings are based on the insured's covered earnings in the second to last quarter or last quarter before the work injury or occupational disease occurred; the average weekly earnings of workers in similar employment may be used under certain conditions.

The maximum weekly temporary disability benefit is B\$965.70.

## **Permanent Disability Benefits**

**Permanent disability pension:** For a total (100%) permanent disability, 90% of the insured's average weekly earnings is paid.

Average weekly earnings are based on the insured's covered earnings in the second to last quarter or last quarter before the work injury or occupational disease occurred; the average weekly earnings of workers in similar employment may be used under certain conditions.

The maximum weekly permanent disability pension is B\$965.70.

The insured's doctor assesses the degree of disability, which may be reviewed by National Insurance Office doctors.

Constant-attendance supplement: 50% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: For an assessed degree of disability of less than 100%, a percentage of the full pension is paid according to the assessed degree of disability; a lump sum is paid if the assessed degree of disability is less than 30%.

## **Workers' Medical Benefits**

Benefits include reimbursement of expenses for medical, surgical, dental, and hospital treatment; nursing care; medicine; appliances; and transportation.

## **Survivor Benefits**

### **Survivor pension**

**Spouse's pension:** 50% of the temporary disability benefit the deceased received or was entitled to receive is paid to a dependent spouse.

**Remarriage settlement:** The spouse's pension ceases upon remarriage or cohabitation, and a lump sum of one year of the pension is paid.

**Orphan's pension:** 16.6% of the temporary disability benefit the deceased received or was entitled to receive is paid to each child younger than age 16 (age 25 if a student); 33.3% if a full orphan or disabled.

The maximum combined survivor benefit is 100% of the temporary disability benefit the deceased received or was entitled to receive.

**Funeral grant:** A lump sum of B\$2,120 is paid to the person who pays for the insured's funeral.

## **Administrative Organization**

Ministry of Labour, Social Security, and Human Resource Development (<https://labour.gov.bb/>) is responsible for policy.

National Insurance Office (<http://www.nis.gov.bb/>), directed by a tripartite board, collects contributions and administers the program.

## **Unemployment**

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### **Regulatory Framework**

**First and current law:** 1981 (social insurance).

**Type of program:** Social insurance system.

### **Coverage**

Employed persons.

Exclusions: Self-employed persons, family labor, and permanent government employees.

### **Source of Funds**

**Insured person:** 0.75% of covered earnings plus 0.5% for the training levy.

The minimum weekly earnings used to calculate contributions are B\$21; the minimum monthly earnings are B\$91.

The maximum weekly earnings used to calculate contributions are B\$1,073; the maximum monthly earnings are B\$4,650.

**Self-employed person:** Not applicable. The self-employed pay 0.5% of declared income for the training levy.

**Employer:** 0.75% of covered payroll plus 0.5% for the training levy. Private-sector employers pay an additional 0.5% to the severance fund.

The minimum weekly earnings used to calculate contributions are B\$21; the minimum monthly earnings are B\$91.

The maximum weekly earnings used to calculate contributions are B\$1,073; the maximum monthly earnings are B\$4,650.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

Must be younger than the normal retirement age with at least 52 weeks of paid or credited contributions, including at least 20 weeks of paid or credited contributions in the three consecutive quarters ending in the second to last quarter before the unemployment began and at least seven weeks of paid or credited contributions in the second to last quarter.

Contributions are credited for each complete contributory week the insured received sickness, maternity, and work injury benefits, and during the three-day waiting period for sickness benefits if the related claim periods last at least two weeks.

### **Unemployment Benefits**

60% of the insured's average weekly earnings is paid after a three-day waiting period for up to 26 weeks in any 52-week period. The waiting period is waived if the insured is unemployed for at least 21 days.

Average weekly earnings are based on the insured's covered earnings in the contribution period used to qualify for the unemployment benefit.

The maximum weekly unemployment benefit is B\$603.72.

### **Administrative Organization**

Ministry of Labour, Social Security, and Human Resource Development (<https://labour.gov.bb/>) is responsible for policy.

National Insurance Office (<http://www.nis.gov.bb/>), directed by a tripartite board, collects contributions and administers the program.

### **Family Allowances**

#### **Regulatory Framework**

**Current law:** 1969 (national assistance).

**Type of program:** Social assistance system.

#### **Coverage**

Needy residents of Barbados.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### **Qualifying Conditions**

**National assistance grant:** Must be assessed as needy.

### **Family Allowance Benefits**

**National assistance grant:** B\$25 a week is paid for a child younger than age 16; B\$28 a week for an able-bodied adult; up to B\$33 a week if younger than age 55 with a disability; up to B\$38 a week if aged 55 or older with a disability and not receiving an old-age or disability pension. The benefit is paid for up to 26 weeks.

### **Administrative Organization**

Ministry of Finance provides general supervision.

Ministry of Social Care, Constituency Empowerment and Community Development (<http://www.socialcare.gov.bb/>) administers the program.



## Belize

Exchange rate: US\$1.00 =  
2.00 Belize dollars (B\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1979 (social security).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed persons, including public-sector workers, and self-employed persons.

Exclusions: Casual workers, persons employed for less than eight hours a week, military personnel, employees aged 65 or older, and old-age pensioners aged 60 to 64 who return to work.

Voluntary coverage (old-age benefits, survivor benefits, and the funeral grant only) for residents of Belize younger than age 65 who cease to be employed, have paid at least 150 contributions as an employee, and have not previously received an old-age or disability pension.

**Social assistance:** Needy citizens and permanent residents of Belize.

#### Source of Funds

##### Insured person

**Social insurance:** Weekly contributions vary according to eight wage classes:

- B\$0.83 if weekly earnings are less than B\$70,
- B\$1.35 if B\$70 to B\$109.99,
- B\$1.95 if B\$110 to B\$139.99,
- B\$3.15 if B\$140 to B\$179.99,
- B\$4.75 if B\$180 to B\$219.99,
- B\$6.35 if B\$220 to B\$259.99,
- B\$7.95 if B\$260 to B\$299.99, and
- B\$9.55 if B\$300 or greater.

The insured person's contributions also finance sickness, maternity, and work injury benefits.

Voluntarily insured persons pay weekly contributions of B\$1.76 to B\$10.24 for old-age benefits, survivor benefits, and the funeral grant. Contributions are based on the best three years of contributions previously paid.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 7% of weekly declared income.

The minimum weekly earnings used to calculate contributions are B\$55.

The maximum monthly earnings used to calculate contributions are B\$320.

The self-employed person's contributions also finance sickness, maternity, and work injury benefits.

**Social assistance:** None.

##### Employer

**Social insurance:** Weekly contributions vary according to eight wage classes:

- B\$3.57 if weekly earnings are less than B\$70,
- B\$5.85 if B\$70 to B\$109.99,
- B\$8.45 if B\$110 to B\$139.99,
- B\$9.65 if B\$140 to B\$179.99,
- B\$11.25 if B\$180 to B\$219.99,
- B\$12.85 if B\$220 to B\$259.99,
- B\$14.45 if B\$260 to B\$299.99, and
- B\$16.05 if B\$300 or greater.

The employer's contributions also finance sickness, maternity, and work injury benefits.

B\$2.60 of employer contributions finances work injury benefits for all wage classes of old-age pensioners aged 60 to 64 who return to work and employees aged 65 or older.

**Social assistance:** None.

##### Government

**Social insurance:** None; contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 65 with at least 500 weeks of paid or credited contributions, including at least 150 weeks of paid contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, disability, temporary work injury benefits, or permanent total (100%) disability work injury benefits.

Retirement is not necessary.

Early pension: Age 60 with at least 500 weeks of paid or credited contributions, including at least 150 weeks of paid contributions. Employment must cease until age 65.

**Old-age grant (social insurance):** Age 60 with at least 26 weeks of paid contributions but does not meet the contribution requirements for a social insurance old-age pension.

**Noncontributory old-age pension (social assistance, means tested):** Age 67 (men) or age 65 (women) and assessed as needy.

**Disability pension (social insurance):** Must be younger than age 60, be incapable of work, and have at least 150 weeks of paid contributions since 1981, at least 110 weeks of paid or credited contributions in the five consecutive years before the year in which the disability began, and at least five weeks of paid or credited contributions in the 13 weeks immediately before the week in which the disability began.

A medical board assesses the degree of disability.

**Disability grant (social insurance):** Must be younger than age 60, be incapable of work, and have at least 26 weeks of paid contributions but not meet the contribution requirements for a disability pension.

A medical board assesses the degree of disability.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Eligible survivors include a widow who was married to the insured for at least three years and is pregnant with or caring for the deceased's child(ren), is aged 50 or older, or is disabled; a widower who was dependent on the deceased for at least three years; a partner who lived with the deceased for at least five consecutive years; children younger than age 16 (age 21 if a full-time student; no limit if disabled); and, if there are no other survivors, dependent parents aged 55 or older.

**Survivor grant (social insurance):** The deceased had at least 26 weeks of paid contributions but did not meet the contribution requirements for a social insurance old-age or disability pension.

Eligible survivors include a widow who was married to the insured for at least three years and is pregnant with or caring for the deceased's child(ren), is aged 50 or older, or is disabled; a widower who was dependent on the deceased for at least three years; a partner who lived with the deceased for at least five consecutive years; children younger than age 16 (age 21 if a full-time student; no limit if disabled); and, if there are no other survivors, dependent parents aged 55 or older.

**Funeral grant (social insurance):** The deceased had at least 50 weeks of paid contributions; at least 150 weeks of paid contributions for the funeral of a spouse or dependent child younger than age 16 (age 21 if a full-time student).

### **Old-Age Benefits**

**Old-age pension (social insurance):** The pension is 30% of the insured's average weekly covered earnings plus 2% of average weekly covered earnings for each 50-week period of contributions exceeding 500 weeks up to 750 weeks plus 1% of average weekly covered earnings

for every 50-week period of contributions exceeding 750 weeks, up to 60%.

Average weekly covered earnings are based on the insured's best three years of earnings.

Early pension: Calculated in the same way as the old-age pension. The pension is suspended if the insured returns to work before age 65.

The minimum weekly pension is B\$49.35.

The maximum weekly pension is B\$201.60.

The pension is paid every four weeks.

**Old-age grant (social insurance):** A lump sum is paid of six times the insured's average weekly covered earnings multiplied by the number of 50-week contribution periods, or 2.5 times the sum of the insured's weekly covered earnings divided by the number of weeks of contributions and multiplied by the number of 50-week contribution periods, whichever is greater.

Average weekly covered earnings are based on the insured's best three years of earnings.

The minimum old-age grant is B\$800.

**Noncontributory old-age pension (social assistance, means tested):** B\$100 a month is paid.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** 30% of the insured's average weekly covered earnings is paid with at least 500 weeks of contributions; 25% with less than 500 weeks of contributions.

Average weekly covered earnings are based on the insured's best three years of earnings.

The minimum weekly pension is B\$49.35.

The maximum weekly pension is B\$201.60.

The pension is paid every four weeks.

**Disability grant (social insurance):** A lump sum is paid of six times the insured's average weekly covered earnings multiplied by the number of 50-week contribution periods, or 2.5 times the sum of the insured's weekly covered earnings divided by the number of weeks of contributions and multiplied by the number of 50-week contribution periods, whichever is greater.

Average weekly covered earnings are based on the insured's best three years of earnings.

The minimum disability grant is B\$800.

### **Survivor Benefits**

#### **Survivor pension (social insurance)**

*Spouse's pension:* 66.7% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er).

*Orphan's pension:* 25% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each eligible child; 40% if disabled.

*Dependent parent's pension:* 40% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible dependent parent.

The minimum weekly survivor pension is B\$49.35 and is split among eligible survivors.

Survivor pensions are paid every four weeks.

The maximum combined survivor benefit is 100% of the pension the deceased received or was entitled to receive.

**Survivor grant (social insurance):** A lump sum is paid of six times the sum of the deceased's average weekly covered earnings multiplied by the number of 50-week contribution periods, or 2.5 times the sum of weekly covered earnings divided by the number of weeks of contributions and multiplied by the number of 50-week contribution periods, whichever is greater.

Average weekly covered earnings are based on the deceased's best three years of earnings.

The minimum survivor grant is B\$800.

Survivor benefits may be paid in addition to old-age or disability benefits.

**Funeral grant (social insurance):** B\$1,500 is paid for the insured's death; B\$1,000 on the death of a spouse; and B\$500 on the death of a dependent child.

### **Administrative Organization**

Ministry of Finance (<https://www.mof.gov.bz/>) provides general supervision.

Social Security Board (<https://www.socialsecurity.org.bz/>) administers the program and collects contributions.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First and current law:** 1979 (social security).

**Type of program:** Social insurance (cash benefits only) system.

Note: A 2012 amendment introduced national health insurance. The program was piloted but has not yet been fully implemented.

#### **Coverage**

Employed persons, including public-sector workers, and self-employed persons.

Exclusions: Casual workers, persons employed for less than eight hours a week, and military personnel.

#### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

#### **Qualifying Conditions**

**Cash sickness benefit:** Must be currently employed with at least 50 weeks of contributions, including at least five of the 13 weeks before the incapacity began.

**Cash maternity benefit:** Must have at least 50 weeks of paid contributions and at least 25 weeks of paid or credited contributions of which 20 must be paid in the 39 weeks immediately before the day on which the benefit is to begin.

**Maternity grant:** Must have at least 50 weeks of paid contributions, including at least 25 weeks in the 50 weeks before the expected date of childbirth. The grant is paid to an insured woman or to an insured man for his wife or common-law wife.

#### **Sickness and Maternity Benefits**

**Sickness benefit:** 80% of the insured's average weekly covered earnings is paid for up to 156 days; thereafter, for an additional 78 days at 60% of average weekly covered earnings. After 234 days, a disability pension may be paid at the discretion of a medical board. The benefit is paid weekly.

The minimum weekly benefit is B\$44.00 for the first 156 days, and B\$33 for the remaining 78 days.

The maximum weekly benefit is B\$256.00 for the first 156 days, and B\$192 for the remaining 78 days.

**Maternity benefit:** 80% of the insured's average weekly covered earnings is paid for up to 14 weeks, beginning seven weeks before the expected date of childbirth or the day on which the benefit was claimed. The benefit is paid in two equal parts: one for the period before childbirth, one for the period after childbirth.

The minimum weekly benefit is B\$44.00.

The maximum weekly benefit is B\$256.00.

**Maternity grant:** A lump sum of B\$300 is paid for each child.

#### **Workers' Medical Benefits**

Subsidized medical benefits may be provided through government hospitals and clinics.

## Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

## Administrative Organization

Ministry of Finance (<https://www.mof.gov.bz/>) provides general supervision of cash benefits.

Social Security Board (<http://www.socialsecurity.org.bz/>) administers the cash benefits program and collects contributions.

Ministry of Health (<http://health.gov.bz/>) provides general supervision and delivers medical services through four administrative regions.

## Work Injury

### Regulatory Framework

**First and current law:** 1979 (social security).

**Type of program:** Social insurance system.

### Coverage

Employed persons, including public-sector workers, self-employed persons, and old-age pensioners who return to work.

Exclusions: Casual workers, persons employed for less than eight hours a week, and military personnel.

### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

### Qualifying Conditions

There is no minimum qualifying period. The accident must occur during the course of employment.

### Temporary Disability Benefits

80% of the insured's average weekly covered earnings in the four weeks before the disability began is paid from the first day of incapacity for up to 156 days; thereafter, the benefit may be extended and paid at 60% of average weekly covered earnings for up to 91 days. The benefit is paid weekly.

The minimum weekly benefit for the first 156 days is B\$44.00; for the remaining 91 days, B\$33.00.

The maximum weekly benefit for the first 156 days is B\$256.00; for the remaining 91 days, B\$192.00.

### Permanent Disability Benefits

**Permanent disability pension:** 60% of the insured's average weekly covered earnings in the four weeks before the disability began multiplied by the assessed degree of disability is paid.

The minimum weekly pension is B\$49.35.

The pension is paid every four weeks.

**Constant-attendance allowance:** For a total (100%) disability, 25% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

A medical board assesses and periodically reviews the degree of disability.

**Disability grant:** For an assessed degree of disability of less than 25%, a lump sum of the insured's average weekly covered earnings in the four weeks before the disability began multiplied by the assessed degree of disability multiplied by 260 is paid.

A medical board assesses the degree of disability.

### Workers' Medical Benefits

Benefits include full medical care, including rehabilitation and treatment abroad if recommended by a medical doctor.

### Survivor Benefits

#### Survivor pension

**Spouse's pension:** 66.7% of the permanent disability pension the deceased received or was entitled to receive is paid to an eligible widow(er).

Eligible widow(er)s include a widow who was married to the deceased for at least three years and is pregnant with or caring for the deceased's children, is aged 50 or older, or was totally dependent on the deceased; or a dependent or disabled widower.

A limited pension may be paid to a widow for up to 52 weeks if she does not qualify for a spouse's pension.

The spouse's pension ceases upon remarriage.

**Orphan's pension:** 25% of the permanent disability pension the deceased received or was entitled to receive is paid to each child up to age 16 (age 21 if a full-time student); 40% if disabled.

**Dependent parent's pension:** If there are no other eligible survivors, 40% of the pension the deceased received or was entitled to receive is paid to dependent parents aged 55 or older.

The minimum weekly pension is B\$47 and is split among the eligible survivors.

## Belize

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The maximum combined survivor benefit is 60% of the deceased's average covered earnings in the four weeks before the date of the employment injury resulting in the insured's death.

Survivor pensions are paid every four weeks.

**Funeral grant:** B\$1,500 is paid when the insured dies.

### ***Administrative Organization***

Ministry of Finance (<https://www.mof.gov.bz/>) provides general supervision.

Social Security Board (<https://www.socialsecurity.org.bz/>) administers the program and collects contributions.

### ***Unemployment***

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#### ***Regulatory Framework***

No social insurance statutory benefits are provided.

The Labour Act, as amended in 2011, requires employers to provide severance pay. With one to five years of service,

severance is paid for termination of employment, retirement after age 60, or for medical reasons; with more than 10 years, in case of termination for reasons other than dismissal, for abandonment of service for a justifiable cause, completion of a finite contract, retirement after age 60, or for medical reasons.

The benefit amount depends on the number of years of service. With five to 10 years of service, a lump sum of one week of the employee's last wage is paid for each year of service; with more than 10 years of service, two weeks of the last wage for each year of service.



## Bermuda

Exchange rate: US\$1.00 =  
1.00 Bermuda dollar (B\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1967 (old-age and survivors).

**Current laws:** 1970 (old age and survivors); 1980 (disability); 1998 (occupational pensions), implemented in 2000; and 1999 (national pension scheme regulations).

**Type of program:** Social insurance, mandatory occupational pension, and social assistance system.

#### Coverage

**Social insurance:** Employed and self-employed persons older than age 18 working more than four hours a week, and temporary residents gainfully employed for more than 26 consecutive weeks.

Voluntary coverage for persons who were previously covered.

Exclusions: Full-time students aged 26 or younger who work weekends or during school vacations.

**Mandatory occupational pension:** Employed persons aged 23 or older who are citizens or the spouse of a citizen and who have worked 720 hours or more for their current employer in any calendar year; self-employed persons aged 23 or older who are citizens or the spouse of a citizen and have annual earnings above B\$20,000.

**Social assistance:** Residents of Bermuda.

#### Source of Funds

##### Insured person

**Social insurance:** B\$34.47 a week; none if older than age 65.

**Mandatory occupational pension:** 5% of covered earnings.

The maximum annual earnings used to calculate contributions are B\$200,000.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** B\$68.94 a week; B\$34.47 if older than age 65.

**Mandatory occupational pension:** 10% of covered declared earnings. Additional voluntary contributions are possible.

The maximum mandatory contribution on declared earnings is B\$5,000 a year.

**Social assistance:** None.

##### Employer

**Social insurance:** B\$34.47 a week.

**Mandatory occupational pension:** 5% of covered earnings.

The maximum annual earnings used to calculate contributions are B\$200,000.

**Social assistance:** None.

##### Government

**Social insurance:** None; contributes as an employer.

**Mandatory occupational pension:** None.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 65 with at least 484 weeks of paid or credited contributions, including an average of at least 50 weeks of paid or credited contributions for each year of coverage.

Contributions may be credited under certain conditions for each complete contributory week an insured suffered from a work incapacity due to illness or injury. Contributions are also credited for each complete contributory week a widow younger than the normal retirement age received a social insurance survivor pension. The widow may also substitute up to a year of her deceased husband's contribution record for her own.

Retirement is not necessary.

**Partial pension:** Age 65 with at least 484 weeks of paid or credited contributions, including an average of 25 to 49 weeks of paid or credited contributions for each year of coverage.

The old-age pension is payable abroad.

**Old-age settlement (social insurance):** Age 65, with at least one week of contributions, but does not meet the contribution requirements for the social insurance old-age pension.

**Old-age pension (mandatory occupational pension):** Age 65.

**Noncontributory old-age pension (social assistance, income tested):** Age 65, does not qualify for contributory old-age benefits, and is a citizen with at least 10 years of continuous residence in Bermuda in the 20 years immediately before the claim is made.

**Disability pension (social insurance):** Must be assessed with a disability; have been employed immediately before the disability began; have a medically certified incapacity to work; and have at least 150 weeks of paid contributions,

including an average of at least 50 weeks of paid or credited contributions for each year of coverage.

Contributions may be credited under certain conditions for each complete contributory week an insured suffered from a work incapacity due to illness or injury. Contributions are also credited for each complete contributory week a widow younger than the normal retirement age received a social insurance survivor pension. The widow may also substitute up to a year of her deceased husband's contribution record for her own.

Partial pension: Must be assessed with a disability, have been employed immediately before the disability began, have a medically certified incapacity to work, and have an average of 25 to 49 weeks of contributions for each year of coverage.

The disability pension is payable abroad.

**Disability pension (mandatory occupational pension):** Must be assessed with an incapacity for work due to a physical or mental condition.

**Noncontributory disability pension (social assistance, income tested):** Must be assessed with a permanent incapacity for work, not qualify for any contributory disability benefits, and have resided in Bermuda for at least 10 years immediately before the application.

Appointed medical doctors assess the degree of disability.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension.

Partial pension: Paid if the deceased qualified for a partial old-age or partial disability pension.

Child's supplement: Paid for each dependent child younger than age 18 (age 26 if a full-time student).

Eligible survivors include a widow(er) married to the deceased.

The survivor pension ceases upon remarriage or cohabitation.

The survivor pension is payable abroad.

**Survivor settlement (social insurance):** The deceased had made contributions but did not meet the contribution requirements for a social insurance survivor pension.

Eligible survivors include a widow(er) married to the deceased at the time of death, or, in the absence of a widow(er), children younger than age 18 who are full-time students.

**Survivor benefit (mandatory occupational pension):** The deceased received or was entitled to receive an occupational old-age or disability pension at the time of death.

Eligible survivors include beneficiaries named by the deceased.

### **Old-Age Benefits**

**Old-age pension (social insurance):** B\$241.57 a week (B\$1,049.68 a month) plus B\$1.42 for each 26-week period of contributions exceeding 484 week of contributions is paid.

Partial pension: The minimum monthly partial pension is B\$524.86 (one-half of the full pension) if the annual average number of weeks of contributions is 25 to 29; B\$629.76 (three-fifths) for 30 to 34 weeks; B\$734.78 (seven-tenths) for 35 to 39 weeks; B\$839.76 (four-fifths) for 40 to 44 weeks; or B\$944.70 (nine-tenths) for 45 to 49 weeks.

**Old-age settlement (social insurance):** A lump sum of the total employee and employer contributions is paid.

**Old-age pension (mandatory occupational pension):** The pension is based on the insured's average earnings or the amount of the insured's accumulated capital, depending on the rules for the specific occupational pension scheme.

**Noncontributory old-age pension (social assistance, income tested):** B\$110.85 a week (B\$481.67 a month) is paid with total annual income greater than B\$4,000; B\$114.08 a week (B\$495.70 a month) with total annual income up to B\$4,000.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** B\$161.02 a week (B\$699.67 a month) is paid.

Partial pension: A percentage of the full pension is paid according to the average number of weeks of contributions for each year of coverage.

**Disability pension (mandatory occupational pension):** The amount of the benefit depends on the rules for the specific occupational pension scheme.

**Noncontributory disability pension (social assistance, income tested):** B\$110.85 a week (B\$481.67 a month) is paid.

### **Survivor Benefits**

**Survivor pension (social insurance):** B\$241.57 a week (B\$1,049.68 a month) is paid.

Partial pension: B\$524.86 (one-half of the full pension) a month is paid if the deceased's annual average number of weeks of contributions was 25 to 29; B\$629.76 (three-fifths) a month for 30 to 34 weeks; B\$734.78 (seven-tenths) a month for 35 to 39 weeks; B\$839.76 (four-fifths) a month for 40 to 44 weeks; or B\$944.70 (nine-tenths) a month for 45 to 49 weeks.

Child's supplement: An additional allowance of B\$24.10 a week (B\$104.72 a month) is paid for each eligible child.

The survivor pension is paid for 26 weeks or until dependent children reach age 18 (age 26 if a full-time student); for life if the surviving spouse is older than age 50 or disabled.

**Survivor settlement (social insurance):** A lump sum of the deceased's total employee and employer contributions is paid.

**Survivor benefit (mandatory occupational pension):** The benefit is paid as a lump sum or according to the pension plan based on the value of the deceased's contributions, accumulated capital, or accrued benefits.

A lump-sum benefit is paid to the survivor if the deceased was a member of an occupational pension scheme for less than two years at the time of death.

### Administrative Organization

Ministry of Finance (<https://www.gov.bm/ministry/finance/>) provides general supervision of the social insurance and social assistance programs.

Department of Social Insurance (<https://www.gov.bm/department/social-insurance/>) administers the social insurance and social assistance programs.

Pension Commission (<http://www.pensioncommission.bm/>) supervises and regulates the mandatory occupational pension program.

### Sickness and Maternity

#### Regulatory Framework

**First and current laws:** 1970 (health insurance); 2000 (labor law); and 2004 (health council), implemented in 2006.

**Type of program:** Universal (medical benefits for youth and the elderly), mandatory employment-related insurance (medical benefits), employer-liability (cash benefits), and social assistance (medical benefits) system.

#### Coverage

**Universal (medical benefits):** Residents of Bermuda up to age 18 (age 21 if a full-time student) or aged 65 or older.

**Mandatory employment-related insurance (medical benefits):** Employed persons and their nonemployed spouses; and self-employed persons.

Voluntary coverage is available for nonemployed persons.

Special system for public-sector employees.

Note: Employers and self-employed persons may choose between a public or private carrier, or an approved employer-operated plan. Of the public plans, the Health Insurance Plan is open to all residents and Future Care is open to residents aged 65 or older.

**Employer liability (cash benefits):** Employed persons.

Exclusions: Self-employed persons.

**Social assistance (medical benefits):** Needy residents of Bermuda or persons of Bermudian status.

### Source of Funds

#### Insured person

**Universal (medical benefits):** Cost-sharing for residents aged 65 or older.

**Mandatory employment-related insurance (medical benefits):** Employed persons and their nonemployed spouses pay 50% of a premium set based on medical underwriting (commercial insurance), B\$214.62 a month (Health Insurance Plan), or B\$250.07 a month (B\$749.24 a month for persons who do not meet residency requirements; Future Care).

Voluntarily insured persons pay B\$429.24 a month (Health Insurance Plan) or B\$500.14 a month (B\$1,498.48 a month for persons who do not meet residency requirements; Future Care).

B\$190 a month (Health Insurance Plan) for supplementary benefits for voluntarily insured children up to age 18 (age 21 if a full-time student).

**Employer liability (cash benefits):** None.

**Social assistance (medical benefits):** None.

#### Self-employed person

**Universal (medical benefits):** Not applicable.

**Mandatory employment-related insurance (medical benefits):** Self-employed persons pay 100% of a premium set based on medical underwriting (commercial insurance), B\$429.24 a month (Health Insurance Plan), or B\$500.14 a month (B\$1,498.48 a month for persons who do not meet residency requirements; Future Care). Children up to age 18 (age 21 if a full-time student) may be voluntarily insured for B\$190 a month (Health Insurance Plan).

**Employer liability (cash benefits):** Not applicable.

**Social assistance (medical benefits):** None.

#### Employer

**Universal (medical benefits):** None.

**Mandatory employment-related insurance (medical benefits):** For employees and their nonemployed spouses, 50% of a premium set based on medical underwriting (commercial insurance), B\$214.62 a month (Health Insurance Plan), or B\$250.07 a month (B\$749.24 a month for persons who do not meet residency requirements; Future Care).

**Employer liability (cash benefits):** The total cost.

**Social assistance (medical benefits):** None.

#### Government

**Universal (medical benefits):** The government covers 80% of the total cost of basic health care services for residents aged 65 to 74; 90% of the total cost of basic health care services for residents aged 75 or older; and 100% of the total cost of basic health care services for residents aged 18

or younger. Must have lived in Bermuda for 10 consecutive years during the past 20 years, with no more than 3 months of absence in any year.

**Mandatory employment-related insurance (medical benefits):** Subsidizes the cost of premiums for supplementary benefits for children up to age 18 (age 21 if a full-time student), and residents aged 65 or older, who have lived in Bermuda for 10 consecutive years during the past 20 years, with no more than 3 months of absence in any year.

**Employer liability (cash benefits):** None; contributes as an employer.

**Social assistance (medical benefits):** The total cost.

### Qualifying Conditions

**Cash sickness benefit (employer liability):** Must have at least one year of continuous service.

**Cash maternity benefit (employer liability):** Must provide a medical certificate specifying the expected date of childbirth and submit an application to the employer at least four weeks before the expected date the leave will begin.

**Medical benefits (universal):** Residents of Bermuda up to age 18 (age 21 if a full-time student) or aged 65 or older. Those aged 65 or older must have lived in Bermuda for 10 consecutive years during the past 20 years, with no more than 3 months of absence in any year.

**Medical benefits (mandatory employment-related insurance):** There is no minimum qualifying period, except for a 10-month waiting period for maternity care.

Insurance with public plans is terminated after 60 days of non-payment of premiums.

**Medical benefits (social assistance, income tested):** Must be of Bermudian status or have resided in Bermuda for at least 10 years.

### Sickness and Maternity Benefits

**Sickness benefit (employer liability):** 100% of the employee's daily wages is paid for up to eight days a year.

**Maternity benefit (employer liability):** 100% of the employee's wages is paid for eight weeks for at least one year of continuous service with the same employer, plus an additional four weeks of unpaid leave. Employees with less than a year may take eight weeks of unpaid leave.

### Workers' Medical Benefits

**Medical benefits (universal and social assistance):** A basic basket of benefits is defined by a schedule in law, including inpatient and outpatient services; nursing; pharmaceuticals provided in the hospital; surgery; diagnostic, laboratory and therapeutic services; and orthopedic appliances.

Cost sharing: The government covers 80% of the total cost of basic health care services for residents aged 65 to 74; 90% of the total cost of basic health care services for residents aged 75 or older; and 100% of the total cost of basic health care services for needy residents and residents aged up to age 18 (age 21 if a full-time student).

### Medical benefits (mandatory employment-related insurance)

**Commercial medical benefits:** Benefits include inpatient and outpatient services; nursing, preventive, diagnostic, laboratory, ambulance, air ambulance, air travel, room and board, specialist, and doctor services; surgery; appliances; prescription drugs; dental and vision care; and at-home nursing services.

**Health Insurance Plan:** Benefits include inpatient and outpatient services; nursing, diagnostic, laboratory, ambulance, specialist, and doctor services; surgery; appliances; medicine; basic dental care; and health and wellness visits.

**Future Care:** Benefits include inpatient and outpatient services; nursing, preventive, diagnostic, laboratory, ambulance, specialist, and doctor services; surgery; appliances; medicine; dental and vision care; and at-home nursing services.

Cost sharing: Copayments are required under all plans.

### Dependents' Medical Benefits

**Medical benefits (universal and social assistance):** Medical benefits for dependents are the same as for the insured.

**Medical benefits (mandatory employment-related insurance):** Medical benefits for insured dependents are the same as for the insured.

### Administrative Organization

Department of Workforce Development (<http://www.dwd.bm/>), under the Ministry of Home Affairs, administers cash benefits.

Ministry of Health (<https://www.gov.bm/ministry/health/>) provides general supervision of medical benefits.

Health Insurance Department (<https://www.gov.bm/departments/health-insurance/>) administers the Health Insurance Plan and the Future Care medical benefits programs.

Private carriers administer the private insurance medical benefits program.

### Work Injury

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#### Regulatory Framework

**First and current law:** 1965 (workmen's compensation).



**Type of program:** Employer-liability system. (The government may require employers to carry insurance.)

### Coverage

Employed persons and apprentices.

Exclusions: Self-employed persons, casual labor, part-time workers, temporary employees, students, and voluntary workers.

### Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost (pays insurance premiums or provides benefits directly to employees).

**Government:** None.

### Qualifying Conditions

Must be assessed with a work injury or occupational disease. The incapacity must last more than three days.

### Temporary Disability Benefits

50% of the employee's lost earnings (up to B\$170 a week) or a lump sum is paid. The total benefit must not exceed the permanent disability benefit the employee would be entitled to receive.

### Permanent Disability Benefits

For a total disability, four years of the employee's earnings before the incapacity began, or four years of the average annual per capita income, whichever is less, is paid.

The average annual per capita income is B\$91,479 (2014).

Constant-attendance supplement: 25% of the permanent disability benefit is paid if the employee requires the constant attendance of others to perform daily functions.

Partial disability: A percentage of the full disability benefit is paid according to the assessed loss of earning capacity.

Appointed medical doctors assess the degree of disability.

### Workers' Medical Benefits

Benefits include the cost of necessary medical care, including hospitalization (up to a maximum based on the prevailing public ward charge for 56 days); emergency outpatient treatment; surgery, according to a fee schedule; medical expenses, including the cost of nursing, ambulances, and medicine, up to B\$1,000; the cost of prostheses up to B\$2,000; and the cost of transportation up to B\$250.

### Survivor Benefits

**Survivor benefit:** A lump sum of three years of the deceased's earnings, or three years of the average annual

per capita income, whichever is less, minus the value of any permanent disability benefits paid to the deceased, is paid.

The average annual per capita income is B\$91,479.

Eligible survivors include persons who were totally dependent on the deceased.

**Partial survivor grant:** A lump sum is paid to those who were partially dependent on the deceased.

**Funeral grant and medical expenses:** A lump sum of up to B\$2,000 is paid if there are no dependents.

### Administrative Organization

Department of Workforce Development (<http://www.dwd.bm/>), under the Ministry of Home Affairs, provides general supervision.

Supreme Court administers the lump-sum benefits.

Courts supervise the agreement between an employer and the insured on the amounts paid.

### Unemployment

#### Regulatory Framework

Labor law (2000) requires employers to provide severance pay to employees with at least one year of continuous service. Severance is paid in cases of redundancy, insolvency, death of the employer, and death of the employee due to a work injury. The benefit is at least two weeks of the employee's wages for each year of service up to 10 years plus three weeks of wages for each year of service exceeding 10 years, up to 26 weeks of wages.

#### Family Allowances

##### Regulatory Framework

**First and current laws:** 2001 (Financial Assistance Act) and 2008 (Child Day Care Allowance Act).

**Type of program:** Social assistance system.

##### Coverage

Needy families of Bermudian status.

##### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

##### Qualifying Conditions

**Child day care allowance (income tested):** Paid to the primary caregiver of a child younger than age 4 who is not



## Bermuda

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in an approved or registered child care provider. The child must not have begun pre-school education.

**Financial assistance (means tested):** Paid to individuals and families unable to meet the cost of food, accommodation, utilities, transportation, laundry, adult day care, home care, health insurance, medication, or medical equipment. Must have resided in Bermuda for at least one year.

### ***Family Allowance Benefits***

**Child day care allowance (income tested):** The cost of child care, up to B\$800 a month for each child, is paid for three months. The benefit may be extended upon review.

**Financial assistance (means tested):** Assistance is paid for up to a total of five years, according to maximums defined in a schedule in law.

### ***Administrative Organization***

Department of Financial Assistance (<https://www.gov.bm/department/financial-assistance/>), under the Ministry of Social Development and Sports, administers the program.

## Bolivia

Exchange rate: US\$1.00 = 6.90 bolivianos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1949 (social insurance) and 1956 (social security), implemented in 1959.

**Current laws:** 1996 (mandatory individual account), implemented in 1997; 2007 (universal pension), implemented in 2008; 2010 (integrated pensions system); 2011 (social security regulations); 2012 (persons with disabilities); 2013 (disability solidarity grant); and 2013 (increases in universal and solidarity pension).

**Type of program:** Universal and mandatory individual account system.

Note: In 1997, all active members of the old social insurance system were transferred to a system of privately managed mandatory individual accounts.

#### Coverage

**Universal:** Resident citizens of Bolivia.

Exclusions: Public-sector workers (disability solidarity grant).

**Mandatory individual account:** Salaried workers, including military personnel and apprentices.

Voluntary coverage for self-employed persons.

#### Source of Funds

##### Insured person

*Universal:* None.

**Mandatory individual account:** 10% of monthly covered earnings (old-age benefits) plus 1.71% (disability and survivor benefits) and 0.5% (administrative fees). For the solidarity pension, 0.5% of monthly declared earnings from 1,656 bolivianos to 13,000 bolivianos; 1% of monthly declared earnings from 13,001 bolivianos to 25,000 bolivianos; 5% of monthly declared earnings from 25,001 bolivianos to 35,000 bolivianos; and 10% of monthly declared earnings above 35,000 bolivianos.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 60 times the legal monthly minimum wage.

The legal monthly minimum wage is 2,000 bolivianos.

20% of the insured person's contributions for disability and survivors insurance also finances the solidarity pension.

##### Self-employed person

*Universal:* None.

**Mandatory individual account:** 10% of monthly covered declared earnings (old-age benefits) plus 1.71% (disability and survivor benefits) and 0.5% (administrative fees). For the solidarity pension, 0.5% of monthly declared earnings from 1,656 bolivianos to 13,000 bolivianos; 1% of monthly declared earnings from 13,001 bolivianos to 25,000 bolivianos; 5% of monthly declared earnings from 25,001 bolivianos to 35,000 bolivianos; and 10% of monthly declared earnings above 35,000 bolivianos.

Mining cooperatives contribute 2% of declared income from sales (solidarity pension).

The minimum monthly declared earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly declared earnings used to calculate contributions are 60 times the legal monthly minimum wage.

The legal monthly minimum wage is 2,000 bolivianos.

20% of the self-employed person's contributions for disability and survivors insurance also finances the solidarity pension. See also source of funds under Work Injury.

##### Employer

*Universal:* None.

**Mandatory individual account:** None (old age benefits); premiums finance disability and survivor benefits. For the solidarity pension, 3% of covered payroll; 2% for the mining sector. See also source of funds under Work Injury.

##### Government

*Universal:* The total cost of the universal old-age pension is financed by taxes on hydro-carbons and dividends from public enterprises; the total cost of the solidarity disability grant is financed by the National Solidarity and Equity Fund (FNSE).

**Mandatory individual account:** Finances the value of accrued rights under the social insurance system and the funeral grant; no contributions for the solidarity pension.

#### Qualifying Conditions

**Old-age pension (Renta Dignidad, universal):** Age 60.

The universal old-age pension is payable abroad temporarily in certain cases.

**Old-age pension (mandatory individual account):** At any age if the individual account balance is sufficient to finance a monthly pension of 60% of the insured's average monthly covered earnings in the last two years (or over the total contribution period if the insured has less than two years of

contributions), funeral expenses, and survivor benefits for the insured's dependents.

Age 55 (men) or age 50 (women) with accrued rights under the old social insurance system, if the individual account balance is sufficient to finance a monthly pension of 60% of the insured's average monthly covered earnings in the last two years (or over the total contribution period if the insured has less than two years of contributions), funeral expenses, and survivor benefits for the insured's dependents.

Age 58 (age 56 for miners) with at least 10 years of contributions if the individual account balance is sufficient to finance a monthly pension that is greater than the solidarity pension.

The retirement age for women is reduced by one year for each live birth, up to three. The retirement age for miners is reduced by up to five years for work in unhealthy conditions (one year for every two years of work in unhealthy conditions).

The old-age pension is payable abroad temporarily in certain cases.

Solidarity pension: Age 58 (age 56 for miners) with at least 10 years of contributions, and the individual account balance is insufficient to finance a monthly pension above a legally defined threshold.

The retirement age for women is reduced by one year for each child born alive, up to three. The retirement age for miners is reduced by up to five years for work in unhealthy conditions (one year for every two years of work in unhealthy conditions).

**Disability pension (mandatory individual account):**

Must be younger than age 65, have at least a 60% assessed degree of disability, have at least five years of contributions to the social insurance or individual account programs or during half the period between the date of the first individual account contribution and the date the disability began; and be currently contributing or have ceased contributing no longer than 12 months before the disability began. If the disability is due to an illness, the insured must also have at least 18 months of contributions in the last 36 months before the disability began.

Partial disability: Must be younger than age 65 and have a 50% to 59% assessed degree of disability.

Severe disability supplement: Must have at least an 80% assessed degree of disability.

Certified medical doctors assess the degree of disability.

The disability pension ceases at age 65 and is replaced by the old-age pension.

The disability pension is payable abroad temporarily in certain cases.

**Disability solidarity grant (universal):** Must be assessed with a severe (unable to perform most daily tasks) or very

severe (in need of the constant attendance of others to perform daily tasks) disability.

The benefit is not paid for visual impairments.

**Survivor pension (mandatory individual account):** The deceased received or was entitled to receive an old-age or disability pension; had at least five years of contributions to the social insurance or individual account programs or during half the period between the date of the first individual account contribution and the date of death; and was either still contributing or had ceased contributing no longer than 12 months before the death. If the death was the result of an illness, the deceased must also have had at least 18 months of contributions in the last 36 months before the date of death.

Eligible survivors include a widow(er) or cohabiting partner and children younger than age 18 (age 25 if a student, no limit if disabled).

If there is no eligible widow(er), partner, or child, other eligible survivors include the deceased's parents, brothers and sisters younger than age 18, or other survivors named by the insured.

The widow(er)'s or partner's pension ceases upon remarriage or cohabitation.

The survivor pension is payable abroad temporarily in certain cases.

**Funeral grant (mandatory individual account):** Paid when an insured worker younger than age 60 or a citizen aged 60 or older dies.

### Old-Age Benefits

**Old-age pension (Renta Dignidad, universal):** 3,900 bolivianos a year is paid for life; 3,250 bolivianos to a person receiving another pension.

The benefit is paid monthly, bimonthly, quarterly, or annually.

Benefit adjustment: The benefit is adjusted every three years based on available funds.

**Old-age pension (mandatory individual account):**

The insured must purchase a fixed or variable life annuity, depending on the account balance at retirement. (The value of accrued rights under the old social insurance system is combined with the individual account balance at retirement.)

The first monthly amount paid under a variable life annuity must be at least 60% of the insured's average covered earnings in the last two years (or over the total contribution period if the insured has less than two years of contributions).

Schedule of payments: 13 payments a year.

Benefit adjustment: Pensions are adjusted annually according to the UFV (Unidad de Fomento de Vivienda).

The UFV is adjusted daily according to changes in the cost of living.

**Solidarity pension:** The difference between the individual account balance and a legally defined threshold corresponding to the insured's number of years of contributions is paid. The benefit increases incrementally with 10 years (640 bolivianos) to 35 or more years of contributions (up to 4,200 bolivianos) (October 2017).

### **Permanent Disability Benefits**

**Disability pension (mandatory individual account):** For an assessed degree of disability of at least 60%, 70% of the insured's average earnings in the last five years (or over the total contribution period if the insured has less than five years of contributions) is paid.

**Partial disability:** For an assessed degree of disability of 50% to 59%, the pension is the degree of disability multiplied by the insured's average earnings in the last five years (or over the total contribution period if the insured has less than five years of contributions).

**Severe disability supplement:** A monthly benefit equal to the legal monthly minimum wage is paid.

The legal monthly minimum wage is 2,000 bolivianos.

The insurance company pays a monthly contribution of 10% of the insured's average earnings in the last five years (or over the whole contribution period if the insured has less than five years of contributions) to the insured person's individual account until retirement or death.

The minimum monthly earnings used to calculate the disability pension are the legal monthly minimum wage.

The maximum monthly earnings used to calculate the disability pension are 60 times the legal monthly minimum wage.

Schedule of payments: 13 payments a year.

If an insured person assessed with a disability does not meet the contribution requirements for a disability pension, the insured may use the individual account balance plus accrued rights under the old social insurance system (if applicable) to purchase a temporary annuity. The monthly annuity is 60% of the insured's average monthly earnings in the last five years (or over the total contribution period if the insured has less than five years of contributions). The minimum monthly annuity is 60% of the legal monthly minimum wage.

**Benefit adjustment:** Pensions are adjusted annually according to the UFV (Unidad de Fomento de Vivienda).

The UFV is adjusted daily according to changes in the cost of living.

**Disability solidarity grant (universal):** 1,000 bolivianos a year is paid.

### **Survivor Benefits**

#### **Survivor pension (mandatory individual account)**

**Spouse's pension:** 90% of the monthly base survivor pension is paid to a widow(er) or cohabiting partner with no eligible children; 70% if there is one eligible child; and 50% if there are two or more eligible children. (Life insurance tops up the accumulated capital in the deceased's individual account if the balance plus accrued rights under the old social insurance system (if applicable) is insufficient to finance the minimum survivor pension.)

The monthly base survivor pension is the old-age (mandatory individual account or solidarity) or disability pension the deceased received or was entitled to receive at the time of death, whichever is greater, depending on the deceased's age at the time of death.

The minimum monthly earnings used to calculate the monthly base pension are the legal monthly minimum wage.

The maximum monthly earnings used to calculate the monthly base survivor pension are 60 times the legal monthly minimum wage.

The legal monthly minimum wage is 2,000 bolivianos.

Schedule of payments: 13 payments a year.

**Orphan's pension:** 20% of the monthly base survivor pension is paid for one orphan; 50% is split equally if there are two or more orphans; and 100% is split equally among full orphans. (Life insurance tops up the accumulated capital in the deceased's individual account if the balance plus accrued rights under the old social insurance system (if applicable) is insufficient to finance the minimum survivor pension.)

The monthly base survivor pension is the old-age (mandatory individual account or solidarity) or disability pension the deceased received or was entitled to receive at the time of death, whichever is greater, depending on the deceased's age at the time of death.

Schedule of payments: 13 payments a year.

When an orphan ceases to be eligible, the widow(er)'s or partner's pension is recalculated.

The maximum combined spouse's and orphan's benefit is 100% of the monthly base survivor pension.

**Other eligible survivor's pension:** If there is no eligible widow(er), partner, or child, 60% of the monthly base survivor pension is divided equally among other eligible survivors.

The monthly base survivor pension is the old-age (mandatory individual account or solidarity) or disability pension the deceased received or was entitled to receive at the time of death, whichever is greater, depending on the deceased's age at the time of death.

Schedule of payments: 13 payments a year.

The maximum combined survivor benefit for other eligible survivors is 60% of the monthly base survivor pension.

If the deceased did not meet the contribution requirements for an old-age or disability pension, the deceased's individual account balance plus accrued rights under the old social insurance system (if applicable) may be used to purchase a temporary annuity. The monthly annuity is 60% of the insured's average monthly earnings in the last five years (or over the total contribution period if the insured has less than five years of contributions). The minimum monthly annuity is 60% of the legal monthly minimum wage.

The legal monthly minimum wage is 2,000 bolivianos.

Benefit adjustment: Pensions are adjusted annually according to the UFV (Unidad de Fomento de Vivienda).

The UFV is adjusted daily according to changes in the cost of living.

**Funeral grant (mandatory individual account):** A lump sum of 2,000 bolivianos is paid to the person who paid for the funeral.

### **Administrative Organization**

Note: The Public Management Body for Long-Term Social Security, once established, will take over administration of old-age, disability, and survivors benefits, under the supervision of the Ministry of the Economy and Public Finances. The Public Management Body for Long-Term Social Security will transfer administration of disability benefits to the Public Insurance Entity, once established.

Ministry of the Economy and Public Finances (<http://www.economiayfinanzas.gob.bo/>) provides general supervision.

Pension and Insurance Auditing Authority (APS) supervises the Pension Fund Administrators (AFPs).

AFPs administer the old-age and solidarity pension and funeral grants and contract with insurance companies for disability and survivor insurance.

Financial institutions approved by AFPs collect contributions through the integrated pension system (SIP).

Insurance companies administer the disability pension and survivor pension program.

Assessment Body, established by the AFPs and the insurance companies, determines the degree of disability.

Approved financial entities pay universal pension (Renta Dignidad) benefits.

Ministry of Health and Sports (<https://www.minsalud.gob.bo/>) administers the disability solidarity grant.

## **Sickness and Maternity**

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### **Regulatory Framework**

**First law:** 1949.

**Current laws:** 1956 (social security code), 1959 (regulations), 1987 (social security), 1988 (job protection), 1998 (health), 2002 (maternity), 2009 (job protection; health insurance for university students; and health care for dependents), 2011 (health resolution), 2012 (paternity), and 2013 (integral health care).

**Type of program:** Social insurance (cash sickness, maternity, and medical benefits), employer-liability (paternity benefits), and social assistance (medical benefits) system.

### **Coverage**

**Social insurance:** Employed persons, and persons older than age 60 (medical benefits only).

Voluntary coverage for self-employed persons.

**Employer liability:** Employed persons.

**Social assistance:** Residents of Bolivia not covered by medical insurance and restricted to: pregnant women up to six months after child delivery; children younger than age five; persons older than age 60; registered disabled persons, and women of reproductive age for sexual and reproductive health care.

### **Source of Funds**

#### **Insured person**

**Social insurance:** None; pensioners contribute 3% of their monthly pensions.

**Employer liability:** None.

**Social assistance:** None.

#### **Self-employed person**

**Social insurance:** Pay contributions. (Self-employed miners contribute 10% of 1.3 times the legal monthly minimum wage.

Mining cooperatives contribute 1.8% of declared income from sales.

The legal monthly minimum wage is 2,000 bolivianos.

The self-employed person's contributions also finance temporary disability benefits and medical benefits under Work Injury.

**Employer liability:** Not applicable.

**Social assistance:** None.



**Employer**

*Social insurance:* 10% of payroll.

The employer's contributions also finance temporary disability benefits and medical benefits under Work Injury.

*Employer liability:* The total cost.

*Social assistance:* None.

**Government**

*Social insurance:* None; the total costs of health insurance for university students not otherwise covered.

*Employer liability:* None; contributes as an employer.

*Social assistance:* The total cost.

**Qualifying Conditions**

**Cash sickness benefit (social insurance):** Must have at least two months of contributions before the incapacity began.

**Cash maternity benefit (social insurance):** Must have at least six months of contributions in the 12 months immediately before the expected month of childbirth. The benefit is paid to an insured woman or to the wife of an insured man.

**Paternity benefit (employer liability):** Must provide a medical certificate confirming a spouse's or partner's child delivery.

**Medical benefits (social insurance):** Must have at least one month of contributions in the last two months.

**Medical benefits (social assistance):** Medical services with a specialist must be accessed by referral.

**Sickness and Maternity Benefits**

**Sickness benefit (social insurance):** 75% of the insured's last monthly earnings is paid after a four-day waiting period for up to 26 weeks (the first three days of sick leave are paid by the employer).

**Maternity benefit (social insurance):** 90% of the insured's monthly earnings at the beginning of the maternity leave is paid for up to 45 days before and 45 days after the expected date of childbirth.

Job protection: Both parents have the right to retain their job position, salary, and grade during the entire pregnancy and until the child is 12 months old.

Additional maternity benefits are paid under Family Allowances.

**Paternity benefit (employer liability):** 100% of the employee's daily earnings are paid for up to three days.

**Workers' Medical Benefits**

**Social insurance:** Medical benefits include general, specialist, and preventive care; maternity care; diagnostic

services; surgery; hospitalization; prostheses; organ transplants; dental care; and medicine.

**Social assistance:** Medical benefits include general, specialist, and preventive care; maternity care; diagnostic services; surgery, hospitalization; dental care; and essential medicine.

**Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

**Administrative Organization**

Ministry of Health (<https://www.minsalud.gob.bo/>) provides supervision through the National Health Insurance Institute.

Auditing Authority of the National Health System (ASINSA) administers the program.

National Health Fund (<http://www.cns.gob.bo/>) and short-term social insurers collect contributions.

**Work Injury****Regulatory Framework**

**First law:** 1924.

**Current laws:** 1956 (social security code); 1959 (regulations); 1987 (social security); 1996 (mandatory individual account), implemented in 1997; and 2010 (integrated pensions system).

**Type of program:** Social insurance (temporary disability and medical benefits) and mandatory individual account (permanent disability and survivor benefits) system.

**Coverage**

Salaried workers and apprentices.

Voluntary coverage for self-employed persons.

**Source of Funds****Insured person**

*Social insurance:* See source of funds under Sickness and Maternity.

*Mandatory individual account:* None.

**Self-employed person**

*Social insurance:* See source of funds under Sickness and Maternity.

*Mandatory individual account:* 1.71% of covered earnings.

20% of the self-employed person's contribution also finances the solidarity pension. See also source of funds under Old Age, Disability, and Survivors.

**Employer**

**Social insurance:** See source of funds under Sickness and Maternity.

**Mandatory individual account:** 1.71% of covered payroll. 20% of the employer's contribution also finances the solidarity pension. See also source of funds under Old Age, Disability, and Survivors.

### Government

**Social insurance:** None; contributes as an employer.

**Mandatory individual account:** None; contributes as an employer.

### Qualifying Conditions

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are covered if the employer provides the transportation.

Employed persons must be younger than age 65 and have an assessed degree of disability of at least 10%. If the disability is the result of an accident at work, the insured must have been employed when the accident occurred. If the disability is the result of an illness, the disability must begin while the insured is employed or up to 12 months (18 months for miners) after employment ceases.

Self-employed persons must be younger than age 65, have an assessed degree of disability of at least 10%, and have made at least three contributions in the last 12 months before the disability began. If the disability is the result of an accident at work, the disability must be assessed while the insured is making contributions. If the disability is the result of an illness, the disability must begin while the insured is making contributions or up to nine months (18 months for members of mining cooperatives) after contributions cease.

### Temporary Disability Benefits

**Temporary disability benefit (social insurance):** 90% of the insured's last earnings is paid in the case of a work injury; 75% for an occupational disease.

### Permanent Disability Benefits

**Permanent disability pension (mandatory individual account):** For an assessed degree of disability of at least 60%, 100% of the insured's average monthly earnings in the last five years (or over the total contribution period if the insured has less than five years of contributions) is paid.

The insurance company pays a monthly contribution of 10% of the insured's average monthly earnings in the last five years (or over the total contribution period if the insured has less than five years of contributions) to the insured person's individual account until retirement or death.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 60 times the legal monthly minimum wage.

The legal monthly minimum wage is 2,000 bolivianos.

**Partial disability:** For an assessed degree of disability of 25% to 59%, the pension is the degree of disability multiplied by the insured's average monthly earnings in the last five years (or over the whole contribution period if the insured has less than five years of contributions).

The disability pension ceases at age 65 and is replaced by the old-age pension.

**Disability grant:** For an assessed degree of disability of 10% to 24%, a lump sum of 48 times the insured's average monthly earnings in the last five years (or over the whole contribution period if the insured has less than five years of contributions) is paid.

Certified medical doctors assess the degree of disability.

**Benefit adjustment:** Pensions are adjusted annually according to the UFV (Unidad de Fomento de Vivienda).

The UFV is adjusted daily according to changes in the cost of living.

### Workers' Medical Benefits

**Medical benefits (social insurance):** Benefits include necessary medical and surgical care, hospitalization, and medicine.

### Survivor Benefits

#### Survivor pension (mandatory individual account)

**Spouse's pension:** 80% of the monthly base survivor pension is paid to a widow(er) or cohabiting partner with no eligible children; 60% if there is one eligible child; and 50% if there are two or more eligible children.

The monthly base survivor pension is 100% of the deceased's average monthly earnings in the last five years (or over the total contribution period if the deceased had less than five years of contributions).

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 60 times the legal monthly minimum wage.

The legal monthly minimum wage is 2,000 bolivianos.

**Schedule of payments:** 13 payments a year.

The widow(er)'s or partner's pension ceases upon remarriage or cohabitation.

**Orphan's pension:** 20% of the monthly base survivor pension is paid for one orphan; 50% is split equally if there are two or more orphans; and 100% is split equally among full orphans.

The monthly base survivor pension is 100% of the deceased's average monthly earnings in the last five years (or over the whole contribution period if the deceased had less than five years of contributions).

Schedule of payments: 13 payments a year.

When an orphan ceases to be eligible, the spouse's pension is recalculated.

The maximum combined spouse's and orphan's benefit is 100% of the monthly base survivor pension.

**Other eligible survivor's pension:** If there is no surviving spouse, partner, or child, 60% of the monthly base survivor pension is split equally among other eligible survivors.

The monthly base survivor pension is 100% of the deceased's average monthly earnings in the last five years (or over the whole contribution period if the deceased had less than five years of contributions).

Schedule of payments: 13 payments a year.

The maximum combined survivor benefit for other eligible survivors is 60% of the monthly base survivor pension.

If the deceased did not meet the contribution requirements for a permanent disability pension, the deceased's individual account balance may be used to purchase a temporary annuity. The monthly annuity is 60% of the insured's average monthly earnings in the last five years (or over the whole contribution period if the insured has less than five years of contributions). The minimum monthly annuity is 60% of the legal monthly minimum wage.

The legal monthly minimum wage is 2,000 bolivianos.

Benefit adjustment: Pensions are adjusted annually according to the UFV (Unidad de Fomento de Vivienda).

The UFV is adjusted daily according to changes in the cost of living.

**Funeral grant (mandatory individual account):** A lump sum of 2,000 bolivianos is paid to the person who paid for the funeral.

### Administrative Organization

Note: Once established, the Public Management Body for Long-term Social Security, under the supervision of the Ministry of the Economy and Public Finances, will administer the permanent disability and survivors benefits (work injury) until a Public Insurance Entity is established.

Ministry of the Economy and Public Finances (<http://www.economiayfinanzas.gob.bo/>) provides general supervision.

Pension Fund Administrators (AFPs) collect contributions and contract insurance companies for work injury disability and survivor insurance.

Insurance companies administer the work injury disability and survivor programs.

Assessment Body (EEC), established by the AFPs and the insurance companies under the legal form of a civil

association, determines the origin, cause, degree, and date of the disability for disability benefit purposes as well as the origin and cause of death for survivor benefit purposes.

Auditing Authority of the National Health System (ASINSA) administers the program through its entities, including the National Health Fund (<http://www.cns.gob.bo/>).

## Unemployment

### Regulatory Framework

No statutory unemployment benefits are provided.

The labor code requires employers to grant severance pay to dismissed employees with more than 90 days of continuous employment. A lump sum of 100% of the employee's average monthly earnings in the last three months of employment multiplied by the number of years of continuous employment (or a proportional sum for continuous employment of less than a year) is paid. Dismissed workers are covered for medical and maternity benefits for up to two months after employment ceases.

## Family Allowances

### Regulatory Framework

**First law:** 1953.

**Current laws:** 1956 (Social Security Code), implemented in 1959; 1987 (social security reform); 2009 (Juana Azurduy mother and baby grant); 2011 (family allowances); and 2012 (Juancito Pinto cash transfer).

**Type of program:** Social insurance and social assistance system.

### Coverage

**Social insurance:** Employees in the public and private sectors, employees of mining cooperatives, and their spouses or partners and children.

Exclusions: Self-employed persons.

Special systems for bank employees, military personnel, and other groups of workers.

**Social assistance:** Needy residents of Bolivia.

### Source of Funds

#### Insured person

**Social insurance:** None.

**Social assistance:** None.

#### Self-employed person

**Social insurance:** Not applicable.

**Social assistance:** None.

## Bolivia

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### Employer

*Social insurance:* 13% of payroll.

*Social assistance:* None.

### Government

*Social insurance:* None; contributes as an employer.

*Social assistance:* The total cost.

### Qualifying Conditions

**Prenatal grant (social insurance, in kind):** Paid to an insured woman who has completed four months of pregnancy and undergone monthly prenatal examinations.

**Birth grant (social insurance):** Paid for a child registered as the insured's dependent with the National Health Fund.

**Nursing allowance (social insurance, in kind):** Paid for a child younger than 12 months.

**Burial allowance (social insurance):** The insured must provide his or her employer with evidence of the death of a child younger than age 19.

**Mother and baby grant (Bono Juana Azurduy, social assistance):** Paid to an unemployed woman who is pregnant or has a child up to age 2 and attends regular medical appointments.

Beneficiaries may not receive any other family allowance.

**Prenatal subsidy (Subsidio Universal Prenatal por la Vida, social assistance, in kind):** Paid to an uninsured woman who has completed four months of pregnancy and is receiving the Juana Azurduy mother and baby grant.

**Child cash transfer (Bono Juancito Pinto, social assistance):** Paid for children younger than age 21 (no limit if disabled) who are enrolled in and regularly attend primary or secondary school or special education institutions, present their national identity card, and are accompanied by a parent or guardian to receive the payment.

### Family Allowance Benefits

**Prenatal grant (social insurance, in kind):** A monthly basket of food products equal in value to the legal monthly minimum wage is provided.

The legal monthly minimum wage is 2,000 bolivianos.

**Birth grant (social insurance):** A lump sum of 100% of the legal monthly minimum wage is paid for each birth.

The legal monthly minimum wage is 2,000 bolivianos.

**Nursing allowance (social insurance, in kind):** A food and milk basket equal in value to the legal monthly minimum wage is provided during the first year.

The legal monthly minimum wage is 2,000 bolivianos.

**Burial allowance (social insurance):** A lump sum equal to the legal monthly minimum wage is paid.

The legal monthly minimum wage is 2,000 bolivianos.

**Mother and baby grant (Bono Juana Azurduy, social assistance):** 1,820 bolivianos is paid.

**Prenatal subsidy (Subsidio Universal Prenatal por la Vida, social assistance, in kind):** Four baskets of nutritional products, each valued at 300 bolivianos, are provided during pregnancy.

**Child cash transfer (Bono Juancito Pinto, social assistance):** 200 bolivianos a year is paid for each eligible child.

### Administrative Organization

Ministry of Health (<https://www.minsalud.gob.bo/>) provides supervision for the employment-related system, the Juana Azurduy mother baby grant, and the universal prenatal subsidy.

Auditing Authority of the National Health System (ASINSA), along with other short-term health entities, administer the employment-related scheme, the Juana Azurduy mother baby grant, and the universal prenatal subsidy.

Ministry of Education (<http://www.minedu.gob.bo/>) administers the Juancito Pinto cash transfer program.

Subsidy Distributor (<http://www.sedem.gob.bo/distribuidora-de-subsidio-1/>) procures and distributes in-kind benefits.

Employers pay cash benefits directly to employees or pay the Subsidy Distributor for in-kind benefits.



## Brazil

Exchange rate: US\$1.00 = 3.30 reais.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1923 (railroads), 1934 (commerce), and 1936 (industry).

**Current laws:** 1991 (social security), 1991 (social insurance), 1993 (social assistance), 2013 (special disability pensions), and 2015 (household workers).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Salaried workers in industry, commerce, and agriculture; rural workers; household workers; casual workers; elected civil servants and certain public-sector employees not covered by a special system; and self-employed persons.

Voluntary coverage for students, housewives, unemployed persons, and others persons without gainful employment.

Special systems for certain public-sector employees and military personnel.

**Social assistance:** Needy residents of Brazil.

#### Source of Funds

##### Insured person

**Social insurance:** 8% of monthly covered earnings with monthly earnings up to 1,659.38 reais (January 2017); 9% with monthly earnings from 1,659.38 reais to 2,765.67 reais (January 2017); and 11% with monthly earnings above 2,765.67 reais (January 2017).

Voluntarily insured persons may contribute 20% of declared earnings or 11% of the legal monthly minimum wage (5% for small businesses with annual incomes up to 81,000 reais or for housewives) if they forego the right to the length of contribution pension.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly earnings used to calculate contributions are 5,531.31 reais (January 2017).

The insured person's contributions also finance sickness and maternity benefits and family allowances.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 20% of monthly declared covered earnings; 11% of the legal monthly minimum wage if they forego the right to the length of contribution pension.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly earnings used to calculate contributions are 5,531.31 reais (January 2017).

The self-employed person's contributions also finance sickness and maternity benefits.

**Social assistance:** None.

##### Employer

**Social insurance:** 20% of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

There are no maximum monthly earnings used to calculate contributions.

Microbusinesses (enterprises with annual earnings up to 360,000 reais) and small businesses (enterprises with annual earnings greater than 360,000 reais but less than 4,800,000 reais) contribute 2.75% to 7.83% of monthly declared earnings, depending on annual earnings declared in the last 12 months and the industry sector.

The employer's contributions also finance sickness and maternity benefits and family allowances.

**Social assistance:** None.

##### Government

**Social insurance:** Covers administrative costs and any deficit.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Age pension (social insurance):** Age 65 (men) or age 60 (women) for salaried and self-employed urban workers; age 60 (men) or age 55 (women) for rural workers.

Retirement is not necessary.

Urban workers first insured before July 25, 1991, must have 60 to 180 months of contributions, according to a schedule in law; urban workers first insured on or after July 25,



## Brazil

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1991, must have at least 180 months of contributions. Rural workers first insured before July 25, 1991, must show proof of 60 to 180 months of work in the rural sector, according to a schedule in law; rural workers first insured on or after July 25, 1991, must show proof of 180 months of work in the rural sector.

**Age pension for persons with disabilities (social insurance):** Age 60 (men) or age 55 (women) with at least 180 months of contributions and assessed with a long-term physical, mental, intellectual, or sensory disability. Must have been disabled for at least 180 months and provide a medical certificate.

**Length of contribution pension (social insurance):** Must have at least 35 years of contributions (men) or 30 years of contributions (women); 15 to 25 years of contributions for workers exposed to hazardous substances.

Employment must cease for workers exposed to hazardous substances.

**Length of contribution pension for persons with disabilities (social insurance):** Must have at least 25 years (men) or 20 years (women) of contributions if assessed with a severe disability; at least 29 years (men) or 24 years (women) of contributions if assessed with a moderate disability; or at least 33 years (men) or 28 years (women) of contributions if assessed with a mild disability.

The National Social Security Institute assesses the degree of disability.

The social insurance old-age pensions are payable abroad under bilateral or multilateral agreements.

**Old-age assistance (social assistance, means tested):** Age 65, not gainfully employed, and with monthly household income of less than 25% of the legal monthly minimum wage per person. Eligibility is reviewed every two years.

The legal monthly minimum wage is 937 reais (January 2017).

**Disability pension (social insurance):** Must be assessed with a permanent incapacity for work and have at least 12 months of contributions. The contribution period is waived if the disability is the result of an accident.

Employment must cease.

The National Social Security Institute assesses the degree of disability.

The disability pension is payable abroad under bilateral or multilateral agreements.

Constant-attendance allowance: Paid if the insured requires the constant attendance of others to perform daily functions.

**Disability benefit (social assistance, means tested):** Must be assessed with a disability and have a monthly

household income of less than 25% of the legal monthly minimum wage per person.

Eligibility is reviewed every two years.

The legal monthly minimum wage is 937 reais (January 2017).

**Survivor pension (social insurance):** There is no minimum qualifying period.

Eligible survivors include a widow(er) or partner and children younger than age 21 (no limit if disabled); if there is no eligible widow(er), partner, or child (in order of priority), parents and siblings younger than age 21 (no limit if disabled).

The survivor pension is payable abroad under bilateral or multilateral agreements.

### Old-Age Benefits

**Age pension (social insurance):** 70% of the insured's average earnings plus 1% of the insured's average earnings for each year of contributions, up to 100%, is paid.

For persons first insured on or before November 28, 1999, the average earnings used to calculate benefits are based on the best 80% of total monthly earnings since July 1994. For persons first insured after November 28, 1999, the average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

Insured persons may opt for the pension to be calculated using the Factor Previdenciario method. The Factor Previdenciario is an actuarial coefficient based on the insured's contribution rate, contribution period, age, and life expectancy.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 5,531.31 reais (January 2017).

The minimum monthly age pension is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly age pension is 5,531.31 reais (January 2017).

**Age pension for persons with disabilities (social insurance):** Calculated in the same way as the age pension.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

**Length of contribution pension (social insurance):** 100% of the insured's average earnings is paid.

For persons first insured before November 29, 1999, the average earnings used to calculate benefits are based on the

best 80% of total monthly earnings since July 1994, multiplied by the Factor Previdenciario.

For persons first insured after November 28, 1999, the average earnings used to calculate benefits are based on the best 80% of total monthly earnings, multiplied by the Factor Previdenciario.

The Factor Previdenciario is not applied to work with exposure to hazardous substances with 15, 20, or 25 years of contributions.

Insured persons may opt for nonapplication of the Factor Previdenciario if the sum of age and years of contributions is 95 (men, gradually increasing to 100 by 2026) or 85 (women, gradually (increasing to 90 by 2026).

The Factor Previdenciario is an actuarial coefficient based on the insured's contribution rate, contribution period, age, and life expectancy.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 5,531.31 reais (January 2017).

The minimum monthly length of contribution pension is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

**Length of contribution pension for persons with disabilities (social insurance):** Calculated in the same way as the age pension.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

**Old-age assistance (social assistance, means tested):** The monthly benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** 100% of the insured's average monthly earnings is paid; 100% of the legal monthly minimum wage for rural workers.

For persons first insured on or before November 28, 1999, the average earnings used to calculate benefits are based on the best 80% of total monthly earnings since July 1994. For persons first insured after November 28, 1999, average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 5,531.31 reais (January 2017).

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly pension is 5,531.31 reais (January 2017).

Constant-attendance allowance: 25% of the disability pension is paid.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

**Disability benefit (social assistance, means tested):** The monthly benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage.

### **Survivor Benefits**

**Survivor pension (social insurance):** 100% of the old-age or disability pension the deceased received or was entitled to receive is paid; 100% of the legal monthly minimum wage for rural workers. The pension is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

The pension is paid for four months if the deceased had less than 18 months of contributions or was married to or living with the spouse or partner for less than two years before the death. If the deceased had at least 18 months of contributions and was married to or living with the spouse or partner for at least two years before the death, the duration of the benefit varies depending on the age of the widow(er) or partner: if the widow(er) or partner is younger than age 21, the pension is paid for three years; if aged 21 to 26, for six years; if aged 27 to 29, for 10 years; if aged 30 to 40, for 15 years; if aged 41 to 43, for 20 years; and if aged 44 or older, for life.

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly pension is 5,531.31 reais (January 2017).

Schedule of payments: 13 payments a year.

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Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

### Administrative Organization

Ministry of Finance (<http://www.fazenda.gov.br/>) provides general supervision and collects contributions.

National Social Security Institute (<http://www.previdencia.gov.br/>) administers benefits.

### Sickness and Maternity

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#### Regulatory Framework

**First laws:** 1923 (railroads), 1934 (commerce), and 1936 (industry).

**Current laws:** 1990 (health), 1991 (social security), and 1991 (social insurance).

**Type of program:** Universal (medical benefits) and social insurance (cash sickness and maternity benefits) system.

#### Coverage

**Universal:** Residents of Brazil.

**Social insurance:** Employed persons; rural workers; household workers; some categories of casual workers; elected civil servants; and self-employed persons.

Voluntary coverage for students, housewives, unemployed persons, and other persons without gainful employment.

Special systems for public-sector employees and military personnel.

#### Source of Funds

##### Insured person

*Universal:* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

##### Self-employed person

*Universal:* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

##### Employer

*Universal:* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

##### Government

*Universal:* The total cost.

*Social insurance:* None.

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have contributed in the last 12 months. There is no qualifying period for an accident or serious illness.

**Cash maternity benefit (social insurance):** There is no minimum qualifying period for salaried workers, household workers, and casual workers; 10 months of contributions for self-employed persons. Rural workers in predominantly family based subsistence activities must show proof of 10 months of work in the rural sector.

**Medical benefits (universal):** There is no minimum qualifying period.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 91% of the insured's average monthly earnings is paid; 100% of the legal monthly minimum wage for rural workers. The benefit is paid after a 15-day waiting period (the employer pays 100% of earnings for the first 15 days); there is no waiting period for self-employed persons or voluntarily insured persons.

There is no limit to duration.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings, up to the average of the last 12 contributions, or the average of the contributions made if the insured person has less than 12 contributions.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly earnings used to calculate benefits are 5,531.31 reais (January 2017).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

**Maternity benefit (social insurance):** 100% of the insured's last wage is paid for employed women, household workers, and casual workers; 100% of average earnings in the last 12 months for self-employed and voluntarily insured women; 100% of the legal minimum wage for rural workers in predominantly family based subsistence activities. The benefit is paid for 120 days, from 28 days before to 91 days after the expected date of childbirth; may be extended by up to 60 days for employees of enterprises that are part of the Empresa Cidadã program.

The benefit is paid for two weeks for a miscarriage.

The benefit is also paid for 120 days to a person who adopts a child younger than age 12 or to an insured widow(er) of a deceased spouse who received or was entitled to receive the maternity benefit.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly earnings used to calculate benefits are 33,763 reais (January 2017) for employed women and casual workers; 5,531.31 reais (January 2017) for household workers, self-employed persons, and voluntarily insured women; 937 reais (January 2017) for rural workers in predominantly family based subsistence activities.

### **Workers' Medical Benefits**

The Unified Health System provides medical services directly to patients in rural and urban areas. Benefits include general, specialist, and maternity care; hospitalization; medicine (some cost sharing is required); and necessary transportation. There is no limit to duration.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### **Administrative Organization**

Ministry of Finance (<http://www.fazenda.gov.br/>) provides general supervision and collects contributions for cash benefits.

National Social Security Institute (<http://www.previdencia.gov.br/>) administers cash benefits.

Ministry of Health (<http://portalms.saude.gov.br/>) provides general supervision of the Unified Health System.

Federal, state, and municipal institutions are part of the Unified Health System and administer medical benefits.

## **Work Injury**

### **Regulatory Framework**

**First laws:** 1919, 1944, and 1967.

**Current laws:** 1991 (social security) and 1991 (social insurance).

**Type of program:** Social insurance system.

### **Coverage**

Employed persons, casual workers, household workers, and rural workers in predominantly family based subsistence activities.

Exclusions: Self-employed persons.

Note: Medical benefits are provided under the universal system (see Sickness and Maternity).

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 1% to 3% of gross payroll according to the assessed degree of risk; 0.1% of gross payroll for employers of rural workers in predominantly family based subsistence activities.

There are no minimum or maximum earnings used to calculate contributions.

**Government:** None.

### **Qualifying Conditions**

There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

### **Temporary Disability Benefits**

91% of the insured's average monthly earnings is paid after a 15-day waiting period (the employer pays 100% of earnings for the first 15 days). There is no waiting period for casual workers, household workers, or rural workers in predominantly family based subsistence activities.

There is no limit to duration.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings. For rural workers, average earnings are 100% of the legal monthly minimum wage.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly earnings used to calculate benefits are 5,531.31 reais (January 2017).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index.

### **Permanent Disability Benefits**

**Permanent disability pension:** 100% of the insured's average monthly earnings is paid if the insured has no work capacity.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2015).

The maximum monthly earnings used to calculate benefits are 5,531.31 reais (January 2017).



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Constant-attendance supplement: If the insured requires the constant attendance of others to perform daily functions, 25% of the permanent disability pension is paid.

Schedule of payments: 13 payments a year.

The National Social Security Institute assesses the degree of disability every two years.

**Accident benefit (partial disability):** 50% of the insured's average monthly earnings is paid to workers with disabilities who have some work capacity.

Average earnings used to calculate benefits are based on the best 80% of total monthly earnings.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index.

### Survivor Benefits

**Survivor pension:** 100% of the permanent disability pension the deceased received or was entitled to receive is paid; 100% of the minimum wage for rural workers in predominantly family based subsistence activities. The pension is split equally among eligible survivors. If one survivor ceases to be eligible, the pensions for the remaining survivors are recalculated.

Eligible survivors include the widow(er) or partner and children younger than age 21 (no limit if disabled); if there is no widow(er), partner, or child, other eligible survivors include (in order of priority) parents and brothers and sisters younger than age 21 (no limit if disabled).

The pension is paid for three years if the widow(er) or partner is younger than age 21; for six years if the widow(er) or partner is aged 21 to 26; for 10 years if aged 27 to 29; for 15 years if aged 30 to 40; for 20 years if aged 41 to 43; and for life if aged 44 or older.

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly pension is 5,531.31 reais (January 2017).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

### Administrative Organization

Ministry of Finance (<http://www.fazenda.gov.br/>) provides general supervision of and collects contributions for the cash benefits.

National Social Security Institute (<http://www.previdencia.gov.br/>) administers cash benefits.

Ministry of Health (<http://portalsaude.saude.gov.br>) provides general supervision of the Unified Health System.

Federal, state, and municipal institutions are part of the Unified Health System and administer medical benefits.

## Unemployment

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### Regulatory Framework

**First laws:** 1965 (severance pay fund) and 1986 (unemployment insurance).

**Current laws:** 1990 (unemployment benefit), 1991 (traditional fishermen), and 2015 (unemployment benefit regulations).

**Type of program:** Social assistance system.

Note: Employers contribute 8% of monthly earnings to an employee's individual account in the Guarantee Fund for Severance Pay (FGTS). The insured may withdraw funds from an individual account in the event of involuntary unemployment, retirement, and other contingencies.

### Coverage

Persons employed in the formal private sector and other categories of workers, such as household workers and fishermen (during closed season periods).

Exclusions: Self-employed persons.

### Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** None.

**Government:** The total cost.

### Qualifying Conditions

**Unemployment benefit (means tested):** Must have received a salary in at least 12 of the 18 months before unemployment began for the first claim; at least nine of the last 12 months for the second claim; at least six months immediately before unemployment began for the third and subsequent claims. Unemployment must not be due to misconduct or resignation. Must have no other means of support and must not receive other social insurance benefits.

### Unemployment Benefits

**Unemployment benefit (means tested):** The monthly benefit varies according to the insured's average monthly earnings in the last three months of employment: 80% of average monthly earnings is paid with average monthly earnings up to 1,450.23 reais; 50% of average monthly earnings plus a lump sum of 1,160.18 reais with average monthly earnings of 1,450.23 reais to 2,417.29 reais; a lump



sum of 1,643.72 with average monthly earnings greater than 2,417.29 reais.

The minimum monthly benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly benefit is 1,643.72 reais.

The benefit is paid for three to five months, depending on the insured's duration of coverage. For the first claim, the benefit is paid for four months with 12 to 23 months of coverage; for five months with at least 24 months of coverage. For the second claim, the benefit is paid for three months with nine to 11 months of coverage; for four months with 12 to 23 months of coverage; or for five months with at least 24 months of coverage. For the third and subsequent claims, the benefit is paid for three months with six to 11 months of coverage; for four months with 12 to 23 months of coverage; for five months with at least 24 months of coverage. Under special conditions, the benefit may be extended for an additional two months.

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage.

### **Administrative Organization**

Ministry of Labor (<https://empregabrasil.mte.gov.br/>) provides general supervision.

Worker Assistance Fund Advisory Council administers the program.

## **Family Allowances**

### **Regulatory Framework**

**First law:** 1941 (large families).

**Current laws:** 1991 (social insurance), 1998 (family allowances), and 2004 (Bolsa Familia).

**Type of program:** Social insurance and social assistance system.

### **Coverage**

**Social insurance:** Low-income employees with one or more children.

Exclusions: Household, casual, and rural workers; elected civil servants and certain public employees not covered by a special system; and self-employed persons.

Special systems for certain public-sector employees and military personnel.

**Social assistance:** Citizens of Brazil living in poor or extremely poor households.

## **Source of Funds**

### **Insured person**

**Social insurance:** See source of funds under Old Age, Disability, and Survivors.

**Social assistance:** None.

### **Self-employed person**

**Social insurance:** Not applicable.

**Social assistance:** None.

### **Employer**

**Social insurance:** See source of funds under Old Age, Disability, and Survivors.

**Social assistance:** None.

### **Government**

**Social insurance:** See source of funds under Old Age, Disability, and Survivors.

**Social assistance:** The total cost.

## **Qualifying Conditions**

### **Family allowance (social insurance, income tested):**

Paid to employees with children younger than age 14 and monthly incomes of up to 1,292.43 reais. The parents are required to present annual proof of vaccinations for children up to age 6 and proof of school attendance each semester from age 7. The parents must be currently in insured employment or receive an age pension; a length of contribution pension and be aged 65 or older; a disability pension; or a length of contribution pension for persons with disabilities and be aged 65 or older. The allowance is paid to both parents if both are insured.

### **Prisoner's dependents pension (social insurance):**

The insured is imprisoned and had monthly income up to 1,292.43 reais immediately before imprisonment.

Eligible dependents include a spouse or partner and children younger than age 21 (no limit if disabled); if there is no eligible spouse, partner, or child (in order of priority), parents and siblings younger than age 21 (no limit if disabled).

### **Bolsa Familia cash grant (social assistance, income tested):**

Paid for children aged 6 to 15 who maintain an 85% school attendance rate; 75% for children aged 16 to 17. Children younger than age 15 at risk of child labor must attend scheduled educational activities. Families must meet basic vaccination requirements for children younger than age 7, and women aged 14 to 44 must attend medical check-ups, including prenatal examinations for pregnant women.

## **Family Allowance Benefits**

### **Family allowance (social insurance, income tested):**

44.09 reais a month is paid for each child if the insured's

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earnings do not exceed 859.88 reais; 31.07 reais a month with earnings of 859.88 reais to 1,292.43 reais.

Employers pay allowances and the National Social Security Institute reimburses them for the total cost.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

**Prisoner's dependents pension (social insurance):**

100% of the disability pension the insured would have been entitled to receive if disabled is paid; 100% of the legal monthly minimum wage for rural workers. The pension is split equally among eligible dependents. If one dependent ceases to be eligible, the pensions for the remaining dependents are recalculated.

The pension is paid for four months if the insured had less than 18 months of contributions or was married to or living with the spouse or partner for less than two years before imprisonment. If the deceased had at least 18 months of contributions and was married to or living with the spouse or partner for at least two years before the death, the duration of the benefit varies depending on the age of the widow(er) or partner: if the widow(er) or partner is younger than age 21, the pension is paid for three years; if aged 21 to 26, for six years; if aged 27 to 29, for 10 years; if aged 30 to 40, for 15 years; if aged 41 to 43, for 20 years; and if aged 44 or older, for life.

The minimum monthly pension is the legal monthly minimum wage.

The legal monthly minimum wage is 937 reais (January 2017).

The maximum monthly pension is 1,089.72 reais.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living index or the minimum wage.

**Bolsa Familia cash grant (social assistance, income tested):**

A basic benefit of 85 reais a month is paid for a household with monthly income of up to 85 reais per person. An additional variable monthly benefit of 39 reais a month is paid for each child younger than age 16, for pregnant women for up to nine months of pregnancy, and for breastfeeding mothers for up to six months, up to five payments per household; and 46 reais a month for each child aged 16 to 17, up to two payments per household. If the monthly household income per person including the basic and variable benefit is less than 85 reais a month, the difference between the monthly household income per person and 85 reais is paid.

### **Administrative Organization**

Ministry of Finance (<http://www.fazenda.gov.br/>) provides general supervision and collects contributions for the social insurance program.

National Social Security Institute (<http://www.previdencia.gov.br/>) administers the social insurance program.

Employers pay benefits to employees.

Ministry of Social Development (<http://www.mds.gov.br/>) provides general supervision of the social assistance program.

Interministerial Administrating Council for the Bolsa Familia Program coordinates the administration of the Bolsa Familia program.

## British Virgin Islands

Exchange rate: Currency is the US dollar (US\$)

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1979 (social security), 1980 (social security), and 2016 (retirement age).

**Type of program:** Social insurance system.

#### Coverage

Employed and self-employed persons.

Voluntary coverage is available.

#### Source of Funds

**Insured person:** 3.25% of monthly covered earnings; 7% of covered earnings for the voluntarily insured.

The maximum annual earnings used to calculate contributions are \$40,716.00.

**Self-employed person:** 8.5% of monthly declared earnings.

The maximum annual earnings used to calculate contributions are \$40,716.00.

**Employer:** 3.25% of monthly covered payroll.

The maximum annual earnings used to calculate contributions are \$40,716.00.

**Government:** None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension:** Age 65 with at least 500 weeks of contributions.

**Old-age grant:** Age 65 with at least 50 weeks of contributions and does not qualify for an old-age or disability pension.

Old-age benefits are payable abroad.

**Disability pension:** Must be younger than the normal retirement age with at least 250 weeks of contributions and assessed with a permanent incapacity for any work.

A medical doctor assesses the degree of disability every six months.

The disability pension ceases at the normal retirement age and is replaced by the old-age pension.

**Disability grant:** Must be younger than the normal retirement age with at least 50 weeks of contributions, unable to work for at least the last six months, assessed with a

permanent incapacity for any work, and does not qualify for an old-age or disability pension.

Disability benefits are payable abroad.

**Survivor pension:** The deceased received or was entitled to receive an old-age or disability pension or had at least 250 weeks of contributions at the time of death.

Eligible survivors include a widow(er) (or a partner who lived with the deceased for at least three years) aged 40 or older or caring for a dependent child younger than age 15 (age 21 if a student), and orphans younger than age 15 (age 21 if a student).

The widow(er)'s pension ceases upon remarriage.

**Survivor grant:** The deceased did not qualify for an old-age or disability pension and had at least 50 weeks but less than 250 weeks of contributions at the time of death.

Eligible survivors include a widow(er) (or a partner who lived with the deceased for at least three years) aged 40 or older or caring for a dependent child younger than age 15 (age 21 if a student), and orphans younger than age 15 (age 21 if a student).

Survivor benefits are payable abroad.

**Funeral grant:** Paid when an insured person or one of his or her dependents dies. The insured must have at least 26 weeks of paid contributions.

#### Old-Age Benefits

**Old-age pension:** 30% of the insured's average annual covered earnings plus 1% of average annual covered earnings for every 50-week period of contributions exceeding 500 weeks is paid.

Average annual covered earnings are the sum of the insured's earnings in the best 11 years in the last 15 years of contributions (or the total years of contributions, if less) before retirement divided by 11.

Retirement is not necessary.

The maximum annual earnings used to calculate benefits are \$40,716.00.

The minimum monthly old-age pension is \$260.

The maximum annual old-age pension is 60% of the insured's average annual covered earnings.

The insured may receive the old-age pension and the survivor pension at the same time. The total amount received is 100% of the old-age pension plus 50% of the survivor pension, up to 100% of the insured's insurable earnings.

**Old-age grant:** A lump sum of six times the insured's average weekly earnings for every 50-week period of contributions from 51 to 499 weeks is paid.

Retirement is not necessary.

## Permanent Disability Benefits

**Disability pension:** 30% of the insured's average annual covered earnings plus 1% of average annual covered earnings for every 50-week period of contributions exceeding 500 weeks is paid.

Average annual covered earnings are the sum of the insured's earnings in the best 11 years in the last 15 years of contributions (or the total years of contributions, if less) before retirement divided by 11.

The maximum annual earnings used to calculate benefits are \$40,716.00.

The minimum monthly disability pension is \$260.

The maximum annual disability pension is 60% of the insured's average annual covered earnings.

The insured may receive the disability pension and the survivor pension at the same time. The total amount received is 100% of the disability pension plus 50% of the survivor pension, up to 100% of the insured's insurable earnings.

**Disability grant:** A lump sum of six times the insured's average weekly earnings for every 50-week period of contributions from 51 to 499 weeks is paid.

## Survivor Benefits

### Survivor pension

**Spouse's pension:** 66.7% of the old-age pension the deceased received or was entitled to receive is paid to a widow(er) or cohabiting partner.

**Orphan's pension:** 33.3% of the spouse's pension is paid; 66.7% for full orphans.

### Survivor grant

**Spouse's grant:** 66.7% of the old-age grant the deceased received or was entitled to receive is paid to a widow(er) or cohabiting partner.

**Orphan's grant:** 33.3% of the spouse's grant is paid; 66.7% for full orphans.

**Funeral grant:** The grant depends on the insured's age at the time of death. For a child younger than age 1, \$450 is paid; for a child aged 1 to 15, \$1,950; for persons aged 16 or older, \$3,000. The grant is paid to the person who pays for the funeral.

## Administrative Organization

Social Security Board (<http://www.bvissb.vg/>), managed by a tripartite board of directors appointed by the Minister of Health and Social Development (<http://www.bvi.gov.vg/content/ministry-health-and-social-development/>), administers the programs and collects contributions.

## Sickness and Maternity

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### Regulatory Framework

**First and current laws:** 1979 (social security), 1980 (social security), and 2015 (national health insurance).

**Type of program:** Social insurance system.

### Coverage

**Cash benefits:** Employed and self-employed persons.

**Medical benefits (National Health Insurance):** Legal residents of the British Virgin Islands.

### Source of Funds

#### Insured person

**Cash benefits:** 0.75% of monthly covered earnings.

The maximum earnings used to calculate contributions are \$783.00 a week or \$3,393.00 a month.

**Medical benefits:** 3.75% of monthly covered earnings.

The maximum annual earnings used to calculate contributions are \$81,432.00.

#### Self-employed person

**Cash benefits:** 1.5% of monthly declared earnings.

The maximum earnings used to calculate contributions are \$783.00 a week or \$3,393.00 a month.

**Medical benefits:** 7.5% of monthly declared earnings.

The maximum annual earnings used to calculate contributions are \$81,432.00.

#### Employer

**Cash benefits:** 0.75% of monthly covered payroll.

The maximum earnings used to calculate contributions are \$783.00 a week or \$3,393.00 a month.

**Medical benefits:** 3.75% of monthly covered payroll.

The maximum annual earnings used to calculate contributions are \$81,432.00.

#### Government

**Cash benefits:** None; contributes as an employer.

**Medical benefits:** Contributes as an employer; pays contributions for dependent children, unemployed elderly persons, needy persons, and prisoners.

### Qualifying Conditions

**Cash sickness benefit:** Must have at least 26 weeks of contributions, including at least eight weeks of contributions in the 13 weeks before the incapacity began.

**Cash maternity benefit:** Must have at least 26 weeks of contributions, including at least 20 weeks of contributions in the 39 weeks before the expected date of childbirth.

**Maternity grant:** Must have at least 26 weeks of contributions.

Eligible parents include the mother, her husband, or her cohabiting partner who has lived with her for at least two years.

**Medical benefits:** Must be insured.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 66.7% of the insured's average weekly covered earnings in the 13 weeks before the incapacity began is paid after a three-day waiting period for up to 26 weeks.

There is no minimum weekly sickness benefit.

The maximum weekly sickness benefit is \$522.00.

**Maternity benefit:** 66.7% of the insured's average weekly covered earnings in the 39 weeks before the expected date of childbirth is paid for up to 13 weeks, beginning no earlier than six weeks before the expected date of childbirth.

There is no minimum weekly maternity benefit.

The maximum weekly maternity benefit is \$522.00.

**Maternity grant:** A lump sum of \$300 per child is paid to each eligible parent.

### **Workers' Medical Benefits**

The National Health Insurance (NHI) scheme covers a comprehensive package of primary, secondary, and tertiary care. Benefits include preventive care, diagnostic procedures, outpatient care, hospitalizations, surgery, acute and intensive care, medicine, mental health services, dental and eye care, prostheses, and rehabilitation.

Cost sharing: No copayment is required for medical treatment at community health clinics within the NHI network. Copayments vary according to whether the providers are in the NHI network and whether they are local or overseas: 5% for the local public hospital; 10% for local providers in the NHI network; 20% for out-of-network local providers and overseas providers in the NHI network; and 40% for out-of-network overseas providers.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### **Administrative Organization**

Social Security Board (<http://www.bvissb.vg/>), managed by a tripartite board of directors appointed by the Minister of

Health and Social Development (<http://www.bvi.gov.vg/content/ministry-health-and-social-development/>), administers the programs and collects contributions.

## **Work Injury**

### **Regulatory Framework**

**First and current law:** 1994 (employment injury).

**Type of program:** Social insurance system.

### **Coverage**

Employed and self-employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** 0.5% of monthly declared earnings.

The maximum annual earnings used to calculate contributions are \$40,716.00.

**Employer:** 0.5% of monthly covered payroll.

The maximum annual earnings used to calculate contributions are \$40,716.00.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

### **Temporary Disability Benefits**

75% of the insured's average weekly covered earnings is paid for up to 26 weeks.

The maximum weekly temporary disability benefit is \$587.25.

### **Permanent Disability Benefits**

For a total (100%) disability, 75% of the insured's average weekly covered earnings is paid for up to 26 weeks.

The maximum weekly permanent disability benefit is \$587.25.

A medical doctor assesses the degree of disability, according to a schedule in law.

Partial disability: For an assessed degree of disability of 30% to 99%, a percentage of the full pension is paid according to the assessed degree of disability.

A medical doctor assesses the degree of disability every six months.



## British Virgin Islands

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A lump sum is paid for an assessed degree of disability of less than 30%.

### **Workers' Medical Benefits**

Benefits include medical, surgical, dental, and hospital treatment; skilled nursing services; medicine; prostheses (including maintenance and repair); and the cost of transportation to and from medical services.

### **Survivor Benefits**

#### **Survivor pension**

*Spouse's pension:* 50% of the maximum survivor pension is paid to a widow(er) or a cohabiting partner who lived with the deceased for at least three years.

The maximum survivor pension is 75% of the deceased's average weekly earnings.

The survivor pension ceases upon remarriage or cohabitation.

*Orphan's pension:* 16.7% of the maximum survivor pension is paid to each child younger than age 15 (age 21 if a student, no limit if disabled).

*Other eligible survivor's pension:* Up to 50% of the maximum survivor pension is split equally among other dependent survivors.

**Funeral grant:** A lump sum of \$3,000 is paid to the person who paid for the funeral.

### **Administrative Organization**

Social Security Board (<http://www.bvissb.vg/>), managed by a tripartite board of directors appointed by the Minister of Health and Social Development (<http://www.bvi.gov.vg/content/ministry-health-and-social-development/>), administers the programs and collects contributions.

## **Unemployment**

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### **Regulatory Framework**

The Labour Code (2010) requires employers to provide severance pay to employees with at least 12 months of continuous service. Severance is paid in cases of redundancy, mental or physical incapacity, liquidation of the firm, in situations where the employee cannot continue to work without breaking a law, or if the employer dies. The benefit amount for full-time employees is 75% of the employee's daily pay multiplied by the number of months of service, or nine days of pay multiplied by the number of years of service. (Different formulas apply for casual, part-time, or piece-work employees.)

### **Family Allowances**

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#### **Regulatory Framework**

Under the 2013 Public Assistance Act, the Social Development Department (<http://www.bvi.gov.vg/departments/social-development-department/>) under supervision of the Ministry of Health and Social Development (<http://www.bvi.gov.vg/content/ministry-health-and-social-development/>) provides cash and in-kind benefits to needy individuals.

## Canada

Exchange rate; US\$1.00 =  
1.30 Canadian dollars (C\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1927 (old-age assistance), 1937 (blind assistance), and 1955 (disability assistance).

**Current laws:** 1952 (universal pension), 1965 (social insurance), and 1967 (income-tested supplement).

**Type of program:** Universal, social insurance, and social assistance system.

#### Coverage

**Universal and social assistance (Old-Age Security (OAS)):** Legal residents of Canada.

**Social insurance (Canada Pension Plan (CPP)/Quebec Pension Plan (QPP)):** Employed and self-employed persons working in Canada.

Exclusions: Casual workers (annual earnings less than C\$3,500).

A province may opt out of the federal social insurance program (CPP) if it establishes a comparable program, as with the QPP; benefits are portable between the two plans.

#### Source of Funds

##### Insured person

*Universal and social assistance:* None.

*Social insurance:* 4.95% (gradually increasing to 5.95% from 2019 to 2023) of covered earnings if aged 18 to 64 (CPP) or 5.4% of covered earnings at any age (QPP). CPP contributions are voluntary if aged 65 to 69 and receiving the CPP retirement pension.

The minimum annual earnings used to calculate contributions are C\$3,500. The minimum earnings are not adjusted annually.

The maximum annual earnings used to calculate contributions are C\$55,300 (C\$55,900 in 2018) (adjusted annually according to changes in the average wage across industries).

##### Self-employed person

*Universal and social assistance:* None.

*Social insurance:* 9.9% (gradually increasing to 11.9% from 2019 to 2023) of covered earnings if aged 18 to 64 (CPP) or

10.8% of covered earnings at any age (QPP). CPP contributions are voluntary if aged 65 to 69 and receiving the CPP retirement pension.

The minimum annual earnings used to calculate contributions are C\$3,500. The minimum earnings are not adjusted annually.

The maximum annual earnings used to calculate contributions are C\$55,300 (C\$55,900 in 2018) (adjusted annually according to changes in the average wage across industries).

#### Employer

*Universal and social assistance:* None.

*Social insurance:* 4.95% (gradually increasing to 5.95% from 2019 to 2023) of covered payroll for employees aged 18 to 64 (CPP) or 5.4% of covered payroll for employees at any age (QPP). Employer contributions to CPP are mandatory for employees aged 65 to 69 who choose to contribute.

The minimum annual earnings used to calculate contributions are C\$3,500. The minimum earnings are not adjusted annually.

The maximum annual earnings used to calculate contributions are C\$55,300 (C\$55,900 in 2018) (adjusted annually according to changes in the average wage across industries).

#### Government

*Universal and social assistance:* The total cost.

*Social insurance:* None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension (OAS, universal):** Age 65 with at least 10 years of residence in Canada after age 18.

Employment may continue.

Earnings test: The pension of high-income earners (over C\$74,788 (C\$75,910 in 2018) a year) is subject to recovery. The pension is completely recovered at an annual income of C\$ 121,314 (C\$122,843 in 2018).

Deferred pension: The pension may be deferred up to age 70.

The universal old-age pension is payable abroad if the beneficiary resided in Canada for at least 20 years after age 18.

Low-income guaranteed income supplement (income tested): Paid to OAS pensioners with low annual income. Income is based on individual income or family income if the pensioner has a spouse or common-law partner (same sex or opposite sex). The supplement is payable abroad for up to six months.

**Low-income allowance (social assistance, income tested):** Aged 60 to 64 with at least 10 years of residence in Canada after age 18, and the claimant's spouse or common-law partner (same sex or opposite sex) is entitled to the universal pension and the low-income guaranteed income supplement.

The low-income allowance ceases at the normal retirement age and is replaced by the universal old-age pension (OAS) and, depending on income, the low-income guaranteed income supplement.

**Old-age pension (CPP/QPP, social insurance):** Age 65 with at least one valid annual contribution.

Employment may continue.

Partial pension: Aged 60 to 64.

Deferred pension: The pension may be deferred up to age 70 with actuarial increase.

CPP post-retirement benefit/QPP retirement pension supplement: Paid to pensioners who continued to work and contribute while receiving the CPP/QPP retirement pension (contributions allowed up to age 70 for CPP; no limit for QPP).

The social insurance old-age pension is payable abroad.

**Disability pension (CPP/QPP, social insurance):** Must be assessed with a severe and prolonged disability that prevents any substantial gainful occupation. For the CPP, must have contributions in four of the last six years, or three of the last six years for those with at least 25 years of contributions. For the QPP, must have contributions in at least two of the last three years; five of the last 10 years; or half of the period from age 18 to the month in which the insured is assessed as disabled, and at least two years of contributions.

Child's benefit: Paid for children younger than age 18 (age 25 if a full-time student for the CPP only).

The minimum annual earnings used to establish eligibility for the disability pension are C\$5,500 (10% of the maximum annual earnings used to calculate contributions rounded down to the nearest C\$100).

The maximum annual earnings used to calculate contributions are C\$55,300 (C\$55,900 in 2018).

The disability pension ceases at the normal retirement age and replaced by the social insurance old-age pension.

The disability pension is payable abroad.

**Survivor pension (CPP/QPP, social insurance):** The deceased must have at least 10 years of contributions; or have contributions in at least one-third of the years from age 18 to the month of death, with at least three years of contributions.

Eligible survivors include a widow(er) or common-law partner (same sex or opposite sex) and children younger

than age 18 (age 25 if a full-time student for the CPP only). A surviving spouse younger than age 35 at the time of the insured's death who does not have dependent children or a disability is ineligible for a survivor's pension under the CPP until reaching the normal retirement age. (The QPP provides immediate eligibility to survivors with sufficient contributions who are under the age of 35 at the time of a spouse's or partner's death.)

The survivor pension does not cease upon remarriage or entering into a common-law relationship. If a surviving spouse is entitled to more than one spouse's pension from previous relationships, only one benefit (whichever is greatest) is paid.

**Low-income survivor allowance (OAS, social assistance, income tested):** Paid to low-income widow(er)s aged 60 to 64 who have resided in Canada for at least 10 years after age 18.

The low-income survivor allowance ceases upon remarriage or entering into a common-law relationship lasting at least a year.

The low-income survivor allowance ceases at the normal retirement age and is replaced by the universal old-age pension (OAS) and, depending on the insured's income, the low-income guaranteed income supplement.

**Death benefit (CPP/QPP, social insurance):** The deceased must have at least 10 years of contributions; or have contributions in at least one-third of the years from age 18 to the month of death, and at least three years of contributions.

Survivor benefits are payable abroad.

### Old-Age Benefits

**Old-age pension (OAS, universal):** The pension is 0.025 times the maximum monthly pension for each year of residence in Canada after age 18, up to 40 years.

The maximum monthly pension is C\$586.66 (January to March 2018).

Earnings test: The pension of high-income earners (over C\$74,788 (C\$75,910 in 2018) a year) is subject to recovery (the pension is reduced by 15% of annual income, minus allowable income tax deductions and expenses). The pension is completely recovered at an annual income of C\$121,314 (C\$122,843 in 2018).

Deferred pension: The pension is increased by 0.6% a month for each month the pension is claimed after age 65, up age 70.

Low-income guaranteed income supplement (income tested): The maximum monthly universal old-age pension including the low-income guaranteed income supplement is C\$1,462.89 for a single person or C\$2,228.28 for a couple (January to March 2018).

**Low-income allowance (social assistance, income tested):** Up to C\$1,114.14 (January to March 2018) a month is paid.

Benefit adjustment: Automatic quarterly adjustments of benefits are made according to changes in the consumer price index.

**Old-age pension (CPP/QPP, social insurance):** 25% (gradually rising to 33% from 2019 to 2059) of the insured's lifetime average monthly pensionable earnings is paid.

The lifetime average monthly pensionable earnings are based on the insured's covered earnings from age 18 or January 1, 1966, whichever is later, to the date the pension is claimed, at age 70, or upon death, whichever is earlier. Months in which the insured was caring for a child younger than age 7 or receiving a disability benefit may be disregarded, and 17% (CPP) or 15% (QPP) of the months with the lowest income are disregarded.

The maximum monthly pension (with 39 years of contributions) is C\$1,114.17 (C\$1,134.17 in 2018).

Partial pension: The pension is reduced by 0.6% for each month the pension is claimed before the normal retirement age, up to 36%.

Deferred pension: The pension is increased by 0.7% for each month the pension is claimed after the normal retirement age, up to 42%.

CPP post-retirement benefit/QPP retirement pension supplement: Up to an additional 1/40th of the maximum monthly pension (CPP); 0.5% of the insured's covered annual earnings from the previous year (QPP) is paid for each year the pensioner continued to work and contribute.

Pension credits accumulated by spouses or common-law partners (same sex or opposite sex) during marriage or cohabitation may be divided equally in case of divorce or separation.

Benefit adjustment: Social insurance pensions are automatically adjusted annually according to changes in the consumer price index.

### Permanent Disability Benefits

**Disability pension (CPP/QPP, social insurance):** The monthly disability pension consists of a flat-rate amount of C\$478.03 (C\$485.20 in 2018) (CPP) or C\$478.00 (C\$485.17 in 2018) (QPP) plus 75% of the social insurance old-age pension.

The maximum monthly disability pension is C\$1,313.66 (C\$1,335.83 in 2018) (CPP) or C\$1,313.63 (C\$1,335.80 in 2018) (QPP).

Child's benefit: C\$241.02 (C\$244.64 in 2018) (CPP) or C\$76.52 (C\$77.67 in 2018) (QPP) a month is paid for each eligible child.

Benefit adjustment: Benefits are automatically adjusted annually according to changes in the consumer price index.

### Survivor Benefits

#### Survivor pension (CPP/QPP, social insurance)

*Survivor's pension (CPP):* 60% of the social insurance old-age pension the deceased received or was entitled to receive, up to C\$668.50 (C\$680.50 in 2018) a month, is paid to a widow(er) or common-law partner aged 65 or older who is not receiving any CPP pension; 37.5% plus C\$186.51 (C\$189.31 in 2018), up to C\$604.32 (C\$614.62 in 2018) a month, to a widow(er) or common-law partner aged 45 to 64, disabled, or with a dependent child; if aged 35 to 44, not disabled, and with no dependent children, the pension is calculated as for those age 45 to 64 but is reduced by 1/120 for each month the widow(er) or common-law partner is younger than age 45 at the time of the insured's death.

A widow(er) or common-law spouse aged 65 or older may receive a survivor's pension and an old-age or disability pension at the same time. The benefit is 100% of the larger pension plus 60% of the smaller one, up to the maximum monthly old-age pension of C\$1,114.17 (C\$1,134.17 in 2018), if the widow(er) combines old-age and survivor's pensions, or maximum monthly disability pension of C\$1,313.66 (C\$1,335.83 in 2018), if the widow(er) combines disability and survivor's pensions.

*Survivor's pension (QPP):* Up to C\$668.50 (C\$680.50 in 2018) a month is paid to a widow(er) or common-law spouse aged 65 or older who is not receiving any other QPP pension; up to C\$895.81 (C\$910.48 in 2018) if aged 45 to 64 or disabled; up to C\$861.64 (C\$875.80 in 2018) if younger than age 45, not disabled, and caring for a dependent child; up to C\$540.23 (C\$549.57 in 2018) if younger than age 45, not disabled, and has no dependent children.

*Orphan's benefit (CPP/QPP):* C\$241.02 (C\$244.64 in 2018) a month is paid for each eligible child.

Benefit adjustment: Social insurance pensions are automatically adjusted annually according to changes in the consumer price index.

**Low-income survivor allowance (OAS, social assistance, income tested):** Up to C\$1,328.08 a month (January to March 2018) is paid to an eligible widow(er).

**Death benefit (CPP/QPP, social insurance):** A lump sum of six months of the deceased's social insurance old-age pension is paid, up to C\$2,500. The maximum benefit is not adjusted annually.

### Administrative Organization

Employment and Social Development Canada (<https://www.canada.ca/en/employment-social-development.html>), through district and local offices, administers the universal, social insurance (CPP), and social assistance programs.



Canada Revenue Agency (<https://www.canada.ca/en/revenue-agency.html>) collects contributions for the social insurance (CPP) program.

Quebec Department of Revenue (<http://www.revenuquebec.ca/>) and Quebec Pension Board (<http://www.retraitequebec.gouv.qc.ca/>) administer and collect contributions for the social insurance (QPP) program.

### Sickness and Maternity

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#### Regulatory Framework

**First laws:** 1957 (hospital services) and 1968 (physician services).

**Current laws:** 1984 (health), 1996 (employment insurance), and 2006 (Quebec maternity and parental benefits).

**Type of program:** Social insurance (cash benefits) and universal system (medical benefits).

#### Coverage

**Social insurance (Employment Insurance (EI), cash benefits):** Employed persons, including federal government employees, and self-employed fishermen.

Voluntary coverage for self-employed persons. (After receiving cash benefits, coverage for self-employed persons is mandatory.)

Cash benefits (special EI benefits) include maternity, parental, sickness, compassionate care, and family caregiver benefits. Self-employed persons are not eligible for the regular EI program (unemployment benefits).

**Social insurance (Quebec Parental Insurance Plan (QPIP), cash maternity and parental benefits):** Employed persons and self-employed persons with at least C\$2,000 of covered income in the last 52 weeks.

**Universal (medical benefits):** Residents of Canada. Coverage is portable when insured residents move from province to province and for emergency care anywhere in the world.

#### Source of Funds

##### Insured person

**Social insurance (EI/QPIP, cash benefits):** See source of funds under Unemployment. In Quebec, an additional 0.548% of covered earnings.

The maximum annual earnings used to calculate contributions in Quebec are C\$74,000 (2018).

**Universal (medical benefits):** Pays premiums in British Columbia. Ontario has a health premium based on taxable income above a certain threshold. No premiums in the other provinces.

##### Self-employed person

**Social insurance (EI/QPIP, cash benefits):** 0.973% of covered earnings in Quebec (QPIP). For the voluntarily insured (EI special benefits), see source of funds under Unemployment.

The maximum annual earnings used to calculate contributions in Quebec are C\$74,000 (2018).

**Universal (medical benefits):** Pays premiums in British Columbia. Ontario has a health premium based on taxable income above a certain threshold. No premiums in the other provinces.

##### Employer

**Social insurance (EI/QPIP, cash benefits):** See source of funds under Unemployment. In Quebec, an additional 0.767% of covered payroll.

The maximum annual earnings used to calculate contributions in Quebec are C\$74,000 (2018).

**Universal (medical benefits):** Contributions vary by province from no contribution to 4.3% of payroll.

##### Government

**Social insurance (EI/QPIP, cash benefits):** None.

**Universal (medical benefits):** The total cost is financed through the general revenues of the federal, provincial, and territorial governments, except in those provinces where premiums are paid. Federal government makes contributions to provinces and territories through block transfers (provinces and territories must meet the federal program requirements in the Canada Health Act).

#### Qualifying Conditions

**Cash sickness benefit (EI, social insurance):** Must have at least 600 hours of covered employment in the 52 weeks before the claim is made (or since the last claim) and have at least a 40% reduction in weekly earnings. Must have exhausted employer paid sick leave before applying for cash sickness benefits.

Self-employed persons who are self-insured must have paid premiums for at least one year and have earned at least C\$6,947 in 2017 for claims paid in 2018 (at least C\$3,760 for self-employed fishermen in the previous 31 weeks).

**Family supplement (income tested):** Paid to families with an annual net income of C\$25,921 or less, with one or more dependent children younger than age 18, and receiving a Canada Child Benefit (see Family Allowances).

**Cash maternity and parental benefits (EI, social insurance):** Must have at least 600 hours of covered employment in the 52 weeks before the claim is made (or since the last claim) and have at least a 40% reduction in weekly earnings. The mother, the father, an adoptive parent, or both parents may be eligible for parental benefits. As of December 3, 2017, parents can choose to receive parental benefits



for up to 35 weeks at a 55% income replacement rate, paid over a period of up to 12 months, or for up to 61 weeks at a lower income replacement rate of 33%, paid over a period of up to 18 months.

Self-employed persons who are self-insured must have paid premiums for at least one year and have earned at least C\$6,947 in 2017 for claims paid in 2018 (at least C\$3,760 for self-employed fishermen in the previous 31 weeks).

Family supplement (income tested): Paid to families with an annual net income of C\$25,921 or less, with one or more dependent children younger than age 18, and receiving a Canada Child Benefit (see Family Allowances).

**Cash maternity, paternity, adoption, and parental benefits (QPIP, social insurance):** Must have at least C\$2,000 of covered income in the previous 52 weeks and have ceased working or have at least a 40% reduction in income. The mother, the father, or both parents may be eligible for parental benefits. Paternity benefits are paid only to the biological father. The biological father can receive both paternity and parental benefits, but not simultaneously.

**Compassionate care benefit (EI, social insurance):** Must have at least 600 hours of covered employment in the 52 weeks before the claim is made (or since the last claim), have at least a 40% reduction in weekly earnings, and leave work temporarily to provide care or support to a family member with a grave illness and a significant risk of death within 26 weeks.

Self-employed persons who are self-insured must have paid premiums for at least one year and have earned at least C\$6,947 in 2017 for claims paid in 2018 (at least C\$3,760 for self-employed fishermen in the previous 31 weeks).

Family supplement (income tested): Paid to families with an annual net income of C\$25,921 or less, with one or more dependent children younger than age 18, and receiving a Canada Child Benefit (see Family Allowances).

**Family Caregiver Benefit (EI, social insurance):** Must be absent from work to provide care or support for a critically ill or injured family member. Must have at least 600 hours of covered employment in the 52 weeks before the claim is made (or since the last claim) and have at least a 40% reduction in weekly earnings. (The benefit was introduced in December 2017).

Self-employed persons who are self-insured must have paid premiums for at least one year and have earned at least C\$6,947 in 2017 for claims paid in 2018 (at least C\$3,760 for self-employed fishermen in the previous 31 weeks).

Family supplement (income tested): Paid to families with an annual net income of C\$25,921 or less, with one or more dependent children younger than age 18, and receiving a Canada Child Benefit (see Family Allowances).

**Medical and hospital benefits (universal):** Generally, the insured must have three months of residence in the province where he or she resides. When the insured moves from

one province to another, the former province continues to provide coverage during the three-month waiting period.

## **Sickness and Maternity Benefits**

**Sickness benefit (EI, social insurance):** 55% of the insured's average weekly covered earnings, up to the maximum insurable earnings, is paid after a one-week waiting period for 15 weeks.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings in the last 52 weeks (or since the last claim, whichever is shorter). The number of best weeks varies according to the insured's regional unemployment rates.

Family supplement (income tested): Up to 80% of the insured's average weekly covered earnings is paid, depending on family income and the number and age of the children.

The maximum weekly sickness benefit is C\$547 in 2018.

**Maternity and parental benefits (EI, social insurance):** 55% of the insured's average weekly covered earnings is paid after a one-week waiting period for 15 weeks (maternity benefits); in addition to maternity benefits, there is a choice 35 weeks paid at 55% of average weekly covered earnings or 61 weeks paid at 33% of average weekly covered earnings (parental benefits) (as of December 2017). The benefits may be paid for care after birth or the placement of an adopted child.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings in the last 52 weeks (or since the last claim, whichever is shorter). The number of best weeks varies according to the insured's regional unemployment rates.

Family supplement (income tested): Up to an additional 25% of the insured's average weekly covered earnings is paid, depending on family income and the number and age of the children.

The maximum weekly maternity and parental benefit is C\$547 in 2018.

**Maternity, paternity, adoption, and parental benefits (QPIP, social insurance):** A choice of 70% of the insured's average weekly covered earnings paid for 25 weeks, followed by 25 weeks at 55% of average weekly covered earnings, or 75% of average weekly covered earnings paid for 40 weeks. Paternity benefits are 70% of covered earnings for 5 weeks or 75% of covered earnings for 3 weeks. Adoption benefits are 70% of covered earnings for 12 weeks plus 55% of covered earnings for 25 weeks or 75% of covered earnings for 28 weeks.

**Compassionate care benefit (EI, social insurance):** 55% of the insured's average weekly covered earnings in the last 52 weeks is paid after a one-week waiting period for 26 weeks.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings in the last 52 weeks (or since the last claim, whichever is shorter). The number of best weeks varies according to the insured's regional unemployment rates.

Family supplement (income tested): Up to an additional 25% of the insured's average weekly covered earnings is paid, depending on family income and the number and age of the children.

The maximum weekly compassionate care benefit is C\$547 in 2018.

**Family Caregiver Benefit (EI, social insurance):** 55% of the insured's average weekly covered earnings is paid after a one-week waiting period for up to 15 weeks (December 2017). In cases where the family member is under the age of 18, the benefit is paid after a one-week waiting period for 35 weeks.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings in the last 52 weeks (or since the last claim, whichever is shorter). The number of best weeks varies according to the insured's regional unemployment rates.

Family supplement (income tested): Up to an additional 25% of the insured's average weekly covered earnings is paid, depending on family income and the number and age of the children.

The maximum weekly Family Caregiver Benefit is C\$547 in 2018.

### **Workers' Medical Benefits**

**Medical benefits:** Medical benefits include general medical and maternity care and surgical, specialist, and laboratory services. Provincial authorities pay providers directly according to predetermined formulas and agreed-upon fee schedules.

**Hospital benefits:** Benefits include standard ward care, necessary nursing, pharmaceuticals provided in the hospital, and diagnostic and therapeutic services. Provincial authorities pay providers directly according to predetermined formulas and agreed-upon fee schedules.

Other benefits include oral surgery if required and performed in an approved hospital and, in some provinces, osteopathic, chiropractic, and optometrist services; dental care for children; prosthetics; and prescribed medicine. Some cost sharing may be required.

In some provinces, social assistance recipients and persons older than age 65 are eligible for free medicine, eyeglasses, and subsidized nursing home care.

Emergency care in another province or abroad is paid at the rate of the person's home province.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured if the dependent is also an eligible resident.

### **Administrative Organization**

Health Canada (<https://www.canada.ca/en/health-canada.html>) administers programs for groups not covered under provincial plans; monitors provincial compliance with conditions of national legislation; and provides provinces with technical, consultative, and coordinating services.

Provincial authorities administer and manage their health insurance plans, establish resident eligibility status, assess hospital and medical claims, pay health care providers, and monitor all aspects of the programs. Provinces and territories also determine which medical and hospital services are medically necessary insured services, in conjunction with physicians in their province.

British Columbia and Ontario administer health care premiums and related income taxes.

Providers are usually public, not-for-profit hospitals and other specialized institutions; doctors and allied practitioners in entrepreneurial practice.

Employment and Social Development Canada, through Service Canada (<http://www.canadabenefits.gc.ca/>), is responsible for cash sickness, maternity, parental, and compassionate care benefits provided under the Employment Insurance program.

Quebec Parental Insurance Plan ([http://www.rqap.gouv.qc.ca/Index\\_en.asp](http://www.rqap.gouv.qc.ca/Index_en.asp)) administers maternity and parental benefits in Quebec.

### **Work Injury**

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#### **Regulatory Framework**

**First and current laws:** 1908 and 2016 (Newfoundland and Labrador), 1915 and 2013 (Nova Scotia), 1915 and 2017 (Ontario), 1916 and 2016 (British Columbia), 1916 and 2016 (Manitoba), 1918 and 2016 (New Brunswick), 1918 and 2016 (Alberta), 1928 and 2016 (Quebec), 1930 and 2016 (Saskatchewan), 1949 and 2016 (Prince Edward Island), 1974 and 2015 (Northwest Territories/Nunavut), 2008 and 2016 (Yukon), and 1918 and 2015 (Federal Public Service Employees).

**Type of program:** Social insurance system.

#### **Coverage**

Employees in industry and commerce (differences exist among provinces and territories).

Exclusions: Self-employed persons and certain employees in excluded or exempted activities (which vary according to province or territory of work).

## Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost is financed through contributions that vary by industry and according to the assessed degree of risk (large firms in some provinces may self-insure).

Depending on the province or territory, the average employer assessment rate per C\$100 of payroll ranges from C\$1.02 to C\$2.65. (Different assessment methods are used by provincial and territorial authorities, including weighting of individual rates by payroll or by industry, the mix of industry, the varying benefit levels and earnings ceilings, the extent of industry coverage, and the degree of funding of liabilities.)

The maximum earnings used to calculate contributions varies according to province or territory, from C\$52,800 to C\$127,000.

**Government:** None.

## Qualifying Conditions

Must be assessed with a work injury or occupational disease.

## Temporary Disability Benefits

75% to 90% of the insured's net earnings is paid, according to province or territory.

The minimum weekly benefit varies according to province or territory, up to C\$546.19.

The maximum weekly benefit varies according to province or territory, from C\$611.58 to C\$1,362.08.

## Permanent Disability Benefits

**Permanent disability pension:** 80% to 90% of the insured's net earnings is paid for a full disability, according to province or territory.

The minimum monthly benefit varies according to province or territory, up to C\$2,124.74.

The maximum monthly benefit varies according to province or territory, up to C\$5,901.89.

Partial disability: A percentage of the full disability pension, which varies according to province or territory, is paid according to the assessed loss of earning capacity. In some jurisdictions, the pension is converted to a lump sum.

## Workers' Medical Benefits

Benefits in all provinces and territories include medical, surgical, nursing, and hospital services; medicine; and appliances.

## Survivor Benefits

### Survivor pension

**Spouse's pension:** The pension varies according to province or territory and is based on a percentage of the deceased's net earnings, the age of the surviving widow(er) or common-law partner, and the number of dependents. Some jurisdictions may pay a lump-sum benefit instead.

The minimum monthly spouse's pension varies according to province or territory, up to C\$1,105.63.

The maximum monthly spouse's pension varies according to province or territory, up to C\$5,215.70

**Orphan's pension:** Depending on the province or territory, either a monthly flat-rate pension or a percentage of the deceased's wages is paid.

**Other dependent's pension (if there is no spouse or orphan):** Depending on the province or territory, the benefit level is either the same as the orphan's pension or is determined by the workplace safety board or commission.

**Funeral grant:** The grant paid varies according to province or territory.

## Administrative Organization

Workers' Compensation Boards in each province and territory collect contributions and administer the programs.

## Unemployment

### Regulatory Framework

**First law:** 1940.

**Current law:** 1996 (employment insurance).

**Type of program:** Social insurance system.

### Coverage

Employed persons and self-employed fishermen.

Exclusions: Self-employed persons other than fishermen, including individuals engaged in a business or employed by a corporation and are not eligible to participate in the unemployment program (regular EI program) because they control more than 40% of the voting shares of the corporation.

### Source of Funds

**Insured person:** 1.66% (2018) of covered earnings.

The maximum annual earnings used to calculate contributions are C\$51,700 (2018). The ceiling is adjusted annually.

An insured person with earnings of C\$2,000 or less is eligible for a full refund of his or her contributions.

The insured person's contributions also finance sickness and maternity benefits (in the province of Quebec, the

## Canada

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insured person's contributions finance certain sickness and maternity benefits).

**Self-employed person:** 1.66% (2018) of covered earnings; 1.30% (2018) of covered earnings in the province of Quebec.

**Employer:** 2.324% (2018) of covered payroll; 1.82% (2018) of covered payroll in the province of Quebec.

The employer's contributions also finance sickness and maternity benefits (in the province of Quebec, the insured person's contributions finance certain sickness and maternity benefits).

**Government:** None.

### Qualifying Conditions

Must have 420 to 700 hours of covered employment in the last 52 weeks (according to the regional unemployment rate); be able, willing, and available to work; and must accept suitable employment. Fishermen must have earnings from C\$2,500 to C\$4,200, depending on their regional unemployment rate, in the last 31 weeks.

The loss of employment cannot be due to voluntary leaving without just cause or to misconduct.

Family supplement (income tested): Paid to families with net income of C\$25,921 or less, with one or more dependent children younger than age 18, and who are receiving a Canada Child Benefit (see Family Allowances).

### Unemployment Benefits

55% of the insured's average weekly covered earnings is paid after a one-week waiting period for 14 to 45 weeks, according to the insured's employment history and the regional unemployment rate.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings in the last 52 weeks (or since the last claim, whichever is shorter). The number of best weeks varies according to the insured's regional unemployment rate.

Family supplement (income tested): Up to an additional 25% of the insured's average weekly covered earnings is paid, depending on family income and the number and age of the children.

The maximum weekly unemployment benefit is C\$547 in 2018.

Fishermen's unemployment benefits are calculated by multiplying the monthly earnings with a factor, which is based on the national unemployment rate. Regardless of the insured's region of residence, the maximum duration for benefits is 26 weeks and fishermen can accumulate up to two claims per year.

### Administrative Organization

Employment and Social Development Canada, through Service Canada (<https://www.canada.ca/en/services/benefits/ei.html>) regional and local offices, administers the program.

Canada Revenue Agency (<https://www.canada.ca/en/revenue-agency.html>) collects contributions.

### Family Allowances

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#### Regulatory Framework

**First law:** 1944.

**Current laws:** 2016 (amendment to the 1985 Income Tax Act).

**Type of program:** Income support (benefit administered through the tax system).

Note: The Canada Child Benefit provides a monthly benefit to families with low to moderate income to help them with the costs of raising children.

#### Coverage

Eligible families with children under 18 years of age, generally resident in Canada.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

#### Qualifying Conditions

**Canada Child Benefit (income tested):** Paid to an eligible individual (the primary caregiver) for each child who is younger than age 18 and lives with the primary caregiver. The primary caregiver or his or her spouse or common-law partner (same sex or opposite sex) must be a Canadian citizen, an Indian within the meaning of the Indian Act, or a permanent resident, temporary resident (subject to limitations), or protected person within the meaning of the Immigration and Refugee Protection Act.

As the Canada Child Benefit is administered through the tax system, the primary caregiver and their cohabiting spouse or common-law partner must file an annual income tax return to receive the benefit.

Income test: Families with less than C\$30,000 in family net income receive the maximum benefit. Above this income level, the benefit decreases as income increases.

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### ***Family Allowance Benefits***

**Canada Child Benefit (income tested):** Up to C\$6,400 a year (C\$533 a month) is paid for each eligible child younger than age 6; up to C\$5,400 a year (C\$450 a month) for each eligible child aged 6 to 17. The benefit is delivered through the income tax system.

Income test: Families with less than C\$30,000 in family net income receive the maximum benefit. Above this income level, the benefit decreases as income increases.

Child disability supplement: Up to C\$2,730 a year is paid for each eligible child.

### ***Administrative Organization***

Canada Revenue Agency (<https://www.canada.ca/en/revenue-agency.html>) administers the benefit.



## Chile

Exchange rate: US\$1.00 = 665.10 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1924.

**Current laws:** 1952 (social insurance), 1952 (wage earners), 1975 (social assistance), 1980 (individual accounts), 1980 (social insurance), and 2008 (social security reform).

**Type of program:** Social insurance, mandatory individual account, social assistance, and universal (child benefit) system.

#### Coverage

**Social insurance:** Wage earners, salaried employees, and self-employed persons with earnings lower than three times the legal monthly minimum wage who paid social insurance contributions before January 1, 1983 and opted to remain under the social insurance system.

The legal monthly minimum wage is 270,000 pesos (276,000 pesos as of January 2018).

Special systems for certain salaried employees, including railroad employees, seamen and port workers, public-sector employees, and military and police personnel.

**Mandatory individual account:** Employees who entered the labor force after December 31, 1982, and certain self-employed persons (starting in 2018).

Voluntary coverage for workers covered by social insurance before January 1, 1983.

**Social assistance and universal child benefit:** Residents of Chile.

#### Source of Funds

##### Insured person

**Social insurance:** Wage earners contribute 18.84% of covered wages; salaried employees contribute 20% to 30% of covered earnings, depending on the occupation.

The maximum monthly earnings used to calculate contributions are 60 UFs (Unidad de Fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

**Mandatory individual account:** 10% of annual covered earnings (old age) plus 1.41% (disability and survivor) and an average of 1.23% (administrative fees). Persons working under arduous conditions contribute an additional 1% or 2% of annual covered earnings depending on the occupation.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 270,000 pesos for insured persons aged 18 to 65 (276,000 pesos as of January 2018); 201,561 pesos for insured persons younger than age 18 or older than age 65 (206,041 pesos as of January 2018).

The maximum monthly earnings used to calculate contributions are 75.7 UFs (Unidad de Fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

**Social assistance and the universal child benefit:** None.

##### Self-employed person

**Social insurance:** 18.84% of covered declared earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 270,000 pesos for self-employed persons aged 18 to 65 (276,000 pesos as of January 2018); 201,561 pesos for self-employed persons younger than age 18 or older than age 65 (206,041 pesos as of January 2018).

The maximum monthly earnings used to calculate contributions are 60 UFs (Unidad de Fomento).

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

**Mandatory individual account:** 10% of annual covered declared earnings (old age) plus 1.41% (disability and survivor) plus an average of 1.23% (administrative fees).

The minimum annual covered earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 270,000 pesos for self-employed persons aged 18 to 65 (276,000 pesos as of January 2018); 201,561 pesos for self-employed persons younger than age 18 or older than age 65 (206,041 pesos as of January 2018).

The maximum annual earnings used to calculate contributions are 908.4 UFs (Unidad de Fomento).

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

**Social assistance and the universal child benefit:** None.

**Employer**

*Social insurance:* None.

*Mandatory individual account:* 1% or 2% of covered payroll for employees working under arduous conditions (old age), depending on the occupation, plus 1.41% of payroll (disability and survivor).

The maximum monthly earnings used to calculate contributions are 75.7 UFs. The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

**Social assistance and the universal child benefit:** None.

**Government**

*Social insurance:* The total cost of accrued rights.

*Mandatory individual account:* The total cost of the guaranteed minimum old-age and disability pensions, old-age solidarity top-up benefit (APS Vejez), and disability solidarity top-up benefit (APS Invalidez); subsidizes contributions for young workers (50% of monthly contributions for earnings below the minimum monthly earnings) for the first 24 months of contributions.

*Social assistance and the universal child benefit:* The total cost.

**Qualifying Conditions**

**Old-age pension (social insurance):** For wage earners, age 65 with at least 1,040 weeks of contributions or 800 weeks of contributions, including at least 50% of the weeks since coverage began (men), or age 60 with at least 520 weeks of contributions (women); age 65 (men) or age 60 (women) with at least 10 years of contributions for salaried employees.

Retirement is not necessary for wage earners; salaried employees must cease all gainful activity.

The normal retirement age for insured persons with at least 1,020 weeks of contributions is reduced by one year (two years for workers in mining or smelting) for each five-year period of work under arduous conditions, up to five years (10 years for workers in mining or smelting).

Salaried woman's child supplement: Must have at least 20 years of contributions; no contribution requirement for widows.

**Old-age pension (mandatory individual account):** Age 65 (men) or age 60 (women). The normal retirement age for insured persons with at least 20 years of contributions is reduced by one or two years for each five-year period of work under arduous conditions, depending on the occupation, up to 10 years.

Early pension: At any age if the individual account balance is sufficient to provide a pension of at least 70% of the

insured's average covered earnings in the last 10 years and 80% of the PMAS (Pensión Máxima con Aporte Solidario).

The PMAS is the lowest value of the old-age pension before qualifying for the old-age solidarity top-up benefit (APS Vejez). The PMAS is 309,231 pesos a month.

Recognition bond: Age 65 (men) or age 60 (women) and moved from the social insurance program to the mandatory individual account program. Must have had 12 contributions under the social insurance program from November 1975 to October 1980 or at least one contribution from July 1, 1979, to the date of enrollment into the mandatory individual account program.

Guaranteed minimum old-age pension: Age 65 (men) or age 60 (women) with at least 20 years of contributions whose sum of pensions, income, and taxable earnings is less than the minimum monthly old-age pension.

The minimum monthly old-age pension is 132,258.72 pesos if younger than age 70; 144,614.74 pesos if aged 70 to 75; or 154,299.05 pesos if older than age 75.

The guaranteed minimum pension is being phased out and replaced by the old-age solidarity top-up benefit (APS Vejez) by 2023. Until then, there is a choice between the two benefits for persons who received the guaranteed minimum pension before July 1, 2008, and those aged 50 or older on July 1, 2008.

**Old-age solidarity top-up benefit (APS Vejez, social assistance, means tested):** Age 65 and a resident of Chile for 20 years since age 20, including four of the last five years. Must have a base pension (individual account or social insurance old-age pension plus any work-injury survivor pension) of less than the PMAS, and the pensioner's family must be among the poorest 60% of the population as assessed by the census.

The PMAS is the lowest value of the old-age pension before qualifying for the old-age social security top-up benefit. The PMAS is 309,231 pesos a month.

**Old-age solidarity pension (Pensión Básica Solidaria de Vejez, PBSV, social assistance, means tested):** Age 65; a resident of Chile for 20 years from age 20, including at least four of the last five years; and does not meet the contribution requirements for any other pension. The pensioner's family must be among the poorest 60% of the population as assessed by the census.

**Child benefit (universal):** Paid to a woman who gave birth to or adopted at least one child in her lifetime and receives an old-age solidarity pension, a solidarity top-up benefit, or a survivor pension; or who is aged 65 or older, has been a resident of Chile for at least 20 years since age 20, including at least four of the last five years, retired on or after July 1, 2009, and is affiliated with a pension fund management company (AFP).

**Winter grant (social assistance, means tested):** Paid to a pensioner whose monthly old-age pension is less than the

minimum monthly old-age pension for pensioners older than age 75.

The minimum monthly old-age pension for pensioners older than age 75 is 144,224.34 pesos.

**Golden wedding anniversary grant (social assistance, means tested):** Paid to couples married for 50 years whose household income is in one of the lowest four income quintiles. Must have resided in Chile for at least four of the five years before the claim is made. The claim must be made within one year of the 50th anniversary.

**Disability pension (social insurance):** Wage earners must be assessed with a total (at least a 70% loss of earning capacity) or partial (30% to 69% loss of earning capacity) disability. Must have been younger than age 65 (men) or age 60 (women) when the disability began, and have at least 50 weeks of contributions, including at least 40% of the weeks in the last five years and 50% of the weeks since coverage began (women and men with at least 400 weeks of coverage are exempt from this last requirement).

Salaried employees younger than age 65 (men) or age 60 (women) must be assessed with at least a 66.7% degree of disability and have at least three years of contributions.

Preventive and disability medical commissions assess the degree of disability for wage earners and salaried employees.

Salaried woman's child supplement: Paid for a dependent child.

**Disability pension (mandatory individual account):** Must be younger than age 65 and assessed with at least a 66% loss of earning capacity (not caused by a work-related accident). Coverage is extended for up to 12 months after employment ceases if the insured has six months of contributions in the last year of employment.

Partial disability pension: Must be younger than age 65 and assessed with a 50% to 65% loss of earning capacity (not caused by a work-related accident). Coverage is extended for up to 12 months after employment ceases if the insured has six months of contributions in the last year of employment (voluntarily insured and self-employed persons must also have contributed in the month immediately before the disability began).

Regional medical commissions assess the degree of disability.

Guaranteed minimum disability pension: Paid to persons who received the guaranteed minimum pension or a disability pension prior to July 1, 2008, or are aged 50 or older and enrolled in an AFP. The insured's disability pension must be less than the minimum monthly disability pension.

The minimum monthly disability pension is 132,258.72 pesos if younger than age 70; 144,614.74 pesos if aged 70 to 75; or 154,299.05 pesos if older than age 75).

The guaranteed minimum disability pension is being phased out and replaced by the disability solidarity top-up

benefit (APS Invalidez) by 2023. Until then, there is a choice between the two benefits for persons who received the guaranteed minimum pension before July 1, 2008, and those aged 50 or older on July 1, 2008.

**Disability solidarity top-up benefit (APS Invalidez, social assistance, means tested):** Aged 18 to 64, a resident of Chile for at least five of the last six years, and assessed with a disability. Must have a base pension (individual account or social insurance disability pension plus any survivor benefits) of less than the disability solidarity pension, and the pensioner's family must be among the poorest 60% of the population as assessed by the census.

The disability solidarity pension is 104,646 pesos a month.

**Disability solidarity pension (Pension Básica Solidaria de Invalidez, PBSI, social assistance, means tested):** Aged 18 to 64, a resident of Chile for at least five of the last six years, assessed with a disability, and does not meet the contribution requirements for any other pension. The pensioner's family must be among the poorest 60% of the population as assessed by the census.

**Survivor pension (social insurance):** The insured wage earner must have had at least 400 weeks of paid contributions; or at least 50 weeks of paid contributions, including at least 40% of the weeks in the last five years and 50% of the weeks since coverage began (women are exempt from this last requirement).

The insured salaried employee must have had at least three years of contributions.

Eligible survivors include a widow(er) who was married to the insured for at least six months (at least three years if the insured was a pensioner), a widow(er) who had children with the deceased, or a widow who was pregnant with the deceased's child at the time of death; the mother of the deceased's extramarital children; children younger than age 18 (age 24 if a student, no age limit if disabled); and the deceased's parents if there are no other eligible survivors.

The widow(er)'s pension ceases upon remarriage.

**Survivor pension (mandatory individual account):** The deceased received or was entitled to receive an individual account old-age or disability pension.

Eligible survivors include a widow(er) who was married to the insured for at least six months (at least three years if the insured was a pensioner), a widow(er) who had children with the deceased, or a widow who was pregnant with the deceased's child at the time of death; the mother of the deceased's extramarital children; children younger than age 18 (age 24 if a student, no age limit if disabled); and the deceased's parents if there are no other eligible survivors.

**Funeral grant (social insurance and social assistance):** Paid to the person who pays for the funeral of the insured worker or pensioner.



**Funeral grant (mandatory individual account):** Paid to the person who pays for the funeral of the insured.

### Old-Age Benefits

**Old-age pension (social insurance):** The monthly benefit is 50% of the insured's base wage plus 1% of the base wage for each 50-week period of contributions exceeding 500 weeks for wage earners; 1/35 of the insured's base salary multiplied by the number of years of contributions for salaried employees.

The base wage or salary is the insured's average monthly wage or salary in the last five years, with the first two years adjusted for wage or salary changes.

Salaried woman's child supplement: 1/35 of the insured's base salary is paid for each dependent child; 2/35 of the base salary if a widow.

The minimum monthly old-age pension is 132,258.72 pesos if younger than age 70; 144,614.74 pesos if aged 70 to 75; or 154,299.05 pesos if older than age 75.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index is at least 15% before the 12-month cycle ends.

**Old-age pension (mandatory individual account):** The insured has four different payment options: an immediate life annuity, temporary income with a deferred life annuity, programmed withdrawals, or an immediate life annuity with programmed withdrawals.

Recognition bond: 12 times the insured's monthly earnings before July 1979 plus 4% accrued annual interest is deposited into the individual account during the month after the insured reaches retirement age.

Guaranteed minimum old-age pension: 132,258.72 pesos a month is paid if the insured is younger than age 70; 144,614.74 pesos a month if aged 70 to 75; or 154,299.05 pesos a month if older than age 75.

Benefit adjustment: Benefits are adjusted automatically according to changes in the consumer price index.

**Old-age solidarity top-up benefit (APS Vejez, social assistance, means tested):** The difference between the base pension (old-age pension plus any survivor benefits received) and the minimum pension is paid.

The minimum monthly old-age pension is 132,258.72 pesos if younger than age 70; 144,614.74 pesos if aged 70 to 75; or 154,299.05 pesos if older than age 75.

The maximum combined old-age pension and old-age solidarity top-up benefit is 309,231 pesos a month.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index is at least 10% before the 12-month cycle ends.

**Old-age solidarity pension (Pensión Básica Solidaria de Vejez, PBSV, social assistance, means tested):** 102,897 pesos a month is paid.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index is at least 10% before the 12-month cycle ends.

**Child benefit (universal):** A bond is paid for each live birth or adopted child. For women younger than age 65 on July 1, 2009, 10% of 18 times the legal monthly minimum wage at the time of the child's birth or adoption is deposited into the individual account during the month after the mother reaches age 65. For children born or adopted before July 1, 2009, the bond accrues interest from July 1, 2009, until the insured reaches age 65. For children born or adopted after July 1, 2009, the bond accrues interest from the date of childbirth or adoption until the insured reaches age 65. The bond's interest rate is the average annual rate for Fund C minus administrative fees for that period.

The legal monthly minimum wage is 270,000 pesos for insured persons aged 18 to 65 (276,000 pesos as of January 2018); 201,561 pesos for insured persons younger than age 18 or older than age 65 (206,041 pesos as of January 2018).

**Winter grant (social assistance, means tested):** 59,188 pesos a year is paid in May.

Benefit adjustment: Benefits are adjusted automatically each year.

**Golden wedding anniversary grant (social assistance, means tested):** A lump sum of 307,516 pesos (153,758 pesos per spouse) is paid.

Benefit adjustment: Benefits are adjusted automatically each year.

### Permanent Disability Benefits

**Disability pension (social insurance):** For a total disability, the monthly pension is 50% of the insured's base wage plus 1% of the base wage for every 50-week period of contributions exceeding 500 weeks for wage earners; 70% of the insured's base salary plus 2% of the base salary for every year of contributions exceeding 20 years for salaried employees.

The base wage or salary is the insured's average monthly wage or salary in the last five years, with the first two years adjusted for wage or salary changes.

For a partial disability, 50% of the total disability pension is paid.

The minimum monthly disability pension is 132,258.72 pesos if younger than age 70; 144,614.74 pesos if aged 70 to 75; or 154,299.05 pesos if older than age 75.

Salaried woman's child supplement: 1/35 of the insured's base salary (1/30 for civil servants) is paid for each

dependent child; 2/35 of the base salary (2/30 for civil servants) if a widow.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index within the year is at least 15% before the 12-month cycle ends.

**Disability pension (mandatory individual account):** For a total disability, 70% of the insured's base salary is paid. The pension is financed through the individual account. (Disability insurance tops up the accumulated capital in the individual account if the balance is less than the required minimum to finance the permanent disability pension.)

Temporary partial disability: 50% of the insured's base salary is paid for up to three years. The individual pension fund management company (AFP) pays the benefit through an insurance policy for the insured. The funds from the individual account are only used to pay the benefit if the insured is not covered by disability and survivor insurance (has not made any contributions to the individual account for at least one year).

The base salary is the insured's average monthly salary in the last 10 years.

Long-term partial disability pension: Following a second level of assessment and certification, the pension is financed through the individual account. (Disability insurance tops up the accumulated capital in the individual account if the balance is less than that required to finance a pension of 50% of the insured's base salary).

Guaranteed minimum disability pension: 32,258.72 pesos is paid if younger than age 70; 144,614.74 pesos if aged 70 to 75; or 154,299.05 pesos if older than age 75.

Benefit adjustment: Benefits are adjusted automatically according to changes in the consumer price index.

**Disability solidarity top-up benefit (APS Invalidez, social assistance, means tested):** The difference between the base pension (old-age pension plus any survivor benefits) and the disability solidarity pension is paid.

The maximum combined disability pension and disability solidarity top-up benefit is 102,897 pesos a month.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index within the year is at least 10% before the 12-month cycle ends.

**Disability solidarity pension (Pension Básica Solidaria de Invalidez, PBSI, social assistance, means tested):** 89,764 pesos a month is paid.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index within the year is at least 10% before the 12-month cycle ends.

## Survivor Benefits

### Survivor pension (social insurance)

*Spouse's pension:* 60% of the deceased's base wage or salary or of the old-age or disability pension the deceased received or was entitled to receive, whichever is greater, is paid to a widow aged 55 or older or to a widower with a disability if there are no eligible children; 50% with eligible children. The mother of the deceased's extramarital children receives 60% of the widow's pension.

A widow younger than age 55 receives a lump sum of two years of the pension.

The base wage or salary is the deceased's average monthly wage or salary in the last five years, with the first two years adjusted for wage or salary changes.

The minimum monthly spouse's pension with children is 71,792.39 pesos if younger than age 70; 92,475.77 pesos if aged 70 or older.

The minimum monthly spouse's pension without children is 85,827.30 pesos if younger than age 70; 107,091.04 pesos if aged 70 or older.

*Orphan's pension:* 20% of the base wage or salary (the insured's average monthly wage or salary in the last five years) or of the old-age or disability pension the deceased received or was entitled to receive, whichever is greater, is paid to each orphan.

The minimum monthly orphan's pension 19,838 pesos.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index within the year is at least 15% before the 12-month cycle ends.

### Survivor pension (mandatory individual account)

*Spouse's pension:* 60% of the individual account old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) if there are no eligible children; 50% to a widow(er) with eligible children; and 36% to the mother or father of the deceased's extramarital children (30% if the deceased and the spouse had eligible children together).

The minimum monthly spouse's pension with children is 71,792.39 pesos if younger than age 70; 92,475.77 pesos if aged 70 to 75; or 92,475.77 pesos if older than age 75.

The minimum monthly spouse's pension without children is 85,827.30 pesos if younger than age 70; 107,091.04 pesos if aged 70 or older.

*Orphan's pension:* 15% of the individual account old-age or disability pension the deceased received or was entitled to receive is paid to each orphan younger than age 18 (age 24 if a student and single, no limit if disabled); 11% for each partially disabled orphan older than age 24.

The minimum monthly orphan's pension is 19,838.80 pesos.



**Other survivor's pension:** 50% of the individual account old-age or disability pension the deceased received or was entitled to receive is paid to each parent, if there are no other eligible survivors and the parents are entitled to family benefits.

If the deceased was actively contributing to an individual account, survivor pensions are calculated according to a reference pension of 70% of the deceased's average monthly earnings in the last 10 years.

The pension paid as the result of the death of an insured person or a temporary partial disability beneficiary is financed with the deceased's individual account balance; if the deceased was a pensioner, the type of benefit depends on the type of retirement pension that the deceased chose. (Life insurance tops up the accumulated capital in the deceased's individual account if the balance is less than the required minimum to finance the survivor pension.)

There is no maximum survivor pension.

**Benefit adjustment:** Benefits are adjusted automatically each year according to changes in the consumer price index.

**Funeral grant (social insurance and social assistance):**

A lump sum of up to three times the monthly non-remuneration minimum wage is paid.

The monthly non-remuneration minimum wage is 174,166.00 pesos.

**Funeral grant (mandatory individual account):** A lump sum of 15 UFs is paid (from the deceased's individual account or life annuity) to the relative who paid for the funeral expenses.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

### Administrative Organization

Ministry of Labor and Social Security through the Superintendent of Pensions (<http://www.spensiones.cl/>) provides general supervision.

Individual pension fund management companies (AFPs) administer individual accounts and collect contributions.

Social Security Institute (<http://www.spensiones.cl/>) administers the social insurance and assistance programs.

### Sickness and Maternity

#### Regulatory Framework

**First law:** 1924.

**Current laws:** 1978 (sickness benefits); 1979 (national health system); 1984 (sick leave); 1985 (public health system), implemented in 1986; 1990 (private health

system); 2004 (health guarantees), implemented in 2005; 2011 (extended parental leave); 2014 (maternity); and 2015 (health insurance contributions eliminated for pensioners).

**Type of program:** Social insurance and mandatory private insurance system.

Note: Insured persons may opt out of the national public health system and contract with a private health institute.

#### Coverage

**Public and private systems:** Public- and private-sector workers; self-employed persons; contract workers; pensioners; persons receiving work injury, unemployment, or social assistance benefits; persons entitled to family allowances; and pregnant women. (Persons without earnings, beneficiaries of social assistance pensions, pregnant women, and mothers up to six months after childbirth are covered by the public system.)

#### Source of Funds

##### Insured person

**Public system:** 7% of covered earnings (Pensioners and solidarity beneficiaries are exempt).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 270,000 pesos for insured persons aged 18 to 65 (276,000 pesos as of January 2018); 201,561 pesos for insured persons younger than age 18 or older than age 65 (206,041 pesos as of January 2018).

The maximum monthly earnings used to calculate contributions are 75.7 UFs (Unidad de Fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

**Private system:** At least 7% of gross earnings, depending on the health plan.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 270,000 pesos for insured persons aged 18 to 65 (276,000 pesos as of January 2018); 201,561 pesos for insured persons younger than age 18 or older than age 65 (206,041 pesos as of January 2018).

##### Self-employed person

**Public system:** 7% of declared earnings.

The minimum monthly earnings used to calculate contributions are 270,000 pesos.

## Chile

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*Private system:* At least 7% of declared earnings, depending on the health plan.

The minimum monthly earnings used to calculate contributions are 270,000 pesos.

### Employer

*Public system:* None.

*Private system:* None.

### Government

*Public system:* The total cost of maternity benefits; any deficit in the national health system.

*Private system:* Partially finances the cost of sickness benefits.

### Qualifying Conditions

**Cash sickness, maternity and paternity benefits (public and private systems):** Employees must have at least six months of contributions, including at least three months of contributions in the last six months; contract workers, at least six months of contributions, including at least 30 days of contributions in the last six months; and self-employed persons, at least 12 months of coverage with at least six months of paid contributions in the last 12 months.

There are no qualifying conditions for an incapacity that is the result of an accident.

**Medical benefits (public and private systems):** There is no minimum qualifying period.

### Sickness and Maternity Benefits

**Sickness benefit (public and private systems):** For public-sector employees, the benefit is 100% of the insured's net earnings before the incapacity began; for private-sector employees, 100% of the insured's average monthly net earnings in the last three months; for self-employed persons, 100% of the insured's average monthly declared earnings in the last six months.

The sickness benefit is paid retroactively from the first day if the sick-leave period is at least 11 days; from the fourth day if the sick-leave period is less than 11 days. Under a collective agreement, the employer is only required to pay benefits for the first three days.

The minimum daily sickness benefit is 2,838 pesos.

**Maternity benefit (public and private systems):** For public-sector employees, 100% of the insured's monthly earnings is paid; for private-sector employees, 100% of the insured's average monthly net earnings in the three months before the expected date of childbirth; for self-employed persons, 100% of the insured's average monthly declared earnings in the last six months. The benefit is paid for six weeks before and 12 weeks after the expected date of childbirth; may be extended in cases of premature or multiple births.

If both spouses work, either may receive the maternity benefit.

The minimum daily maternity benefit is 2,838 pesos.

The maternity benefit is also paid for 12 months for the adoption of a child younger than age 6 months.

Extended postnatal parental leave: 100% of the maternity benefit is paid for 12 weeks after the maternity benefit ends; 50% is paid for up to 18 weeks if the woman returns to work part time after the normal parental leave ends. Up to six weeks of the benefit may be transferred to the father from the seventh week if the mother returns to work at that time.

**Paternity benefit (public and private systems):** For public-sector employees, 100% of the insured's monthly earnings is paid; for private-sector employees, 100% of the insured's average monthly net earnings in the three months before the expected date of childbirth; for self-employed persons, 100% of the insured's average monthly declared earnings in the last six months. The benefit is paid for five days during the 30-day period after the childbirth.

The paternity benefit is also paid for the adoption of a child younger than age 6 months.

The minimum daily paternity benefit is 2,838 pesos.

### Workers' Medical Benefits

**Medical benefits (public system):** Public or private health institutions and professionals registered with the National Health Fund provide benefits. Benefits include general and specialist care, periodic medical examinations, hospitalization, medicine, dental care, and maternity care.

There is no limit to duration.

General Scheme of Health Guarantees establishes the minimum benefits to be provided by the public system.

Co-payments are required for certain treatments. Persons with insurable earnings above 385,440 pesos a month pay 20% (10% with three dependents); with insurable earnings from 264,000 pesos to 385,440 pesos a month, 10% (0% with three dependents). Beneficiaries of basic solidarity pensions, family subsidies, and persons earnings less than 264,000 pesos a month are exempt.

The maximum annual co-payment is 3.5 times annual insurable earnings.

There is no cost sharing for general care and certain medicines.

**Medical benefits (private system):** The insured must sign a minimum 12-month contract with a private health institute and may choose among open, closed, or preferred doctor plans. Benefits, as well as cost sharing, vary by contract but must be at least equal to those provided by the public system.

## Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured in the public and private systems. The widow(er) and children are covered for a year after the insured's death in the private system.

## Administrative Organization

Ministry of Health (<http://www.minsal.cl/>) provides general supervision of the system.

Superintendent of Health (<http://www.supersalud.gob.cl/>) oversees the public and private schemes and public and private health providers.

National Health Fund (FONASA) (<https://www.fonasa.cl/>) collects contributions and administers the public system.

Health Institutions (ISAPREs) (<http://www.isapre.cl/>) collect contributions and administer the private system.

## Work Injury

### Regulatory Framework

**First law:** 1916.

**Current laws:** 1968 (work injury and occupational diseases), 1994 (work injury and occupational diseases for civil servants), 1998 (contribution rates), 2005 (coverage to students and apprentices), 2008 (self-employed workers), and 2008 (employer's contribution rate).

**Type of program:** Social insurance system.

### Coverage

Public- and private-sector workers, self-employed persons who contribute to old-age and sickness schemes, household workers, contract and temporary workers, students, apprentices, and trade union representatives.

### Source of Funds

**Insured person:** None.

**Self-employed person:** 0.94% of monthly covered declared income plus up to 3.4% of monthly covered declared earnings, depending on the occupation.

The minimum monthly earnings used to calculate contributions are 270,000 pesos.

The maximum monthly earnings used to calculate contributions are 75.7 UFs (Unidad de Fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,597.33 pesos.

**Employer:** 0.94% of covered payroll plus up to 3.4% of covered payroll according to the industry and the assessed degree of risk.

The contribution can increase up to 6.8% of covered payroll in companies with a high accident rate.

**Government:** None; contributes as an employer.

### Qualifying Conditions

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are covered.

Self-employed persons must have paid all due contributions.

### Temporary Disability Benefits

For public-sector employees, 100% of the insured's net monthly earnings is paid; for private-sector employees, 100% of the insured's average monthly net earnings in the three months before the disability began; for self-employed persons, 100% of the insured's average declared net earnings in the six months before the disability began.

The minimum daily benefit is 1/30th of 50% of the monthly earnings used to calculate contributions.

The benefit is paid from the day of injury for up to 52 weeks (may be extended up to an additional 52 weeks).

Benefit adjustment: Benefits are adjusted according to salary and wage increases.

### Permanent Disability Benefits

**Permanent disability pension:** For a total disability (at least a 70% assessed degree of disability), 70% of the insured's base salary is paid.

The base salary is the insured's average monthly insured earnings in the six months before the disability began.

In most cases, Preventive and Disability Medical Commissions assess the degree of disability. The degree of disability is reassessed once every two years in the eight years after the pension is awarded.

Constant-attendance allowance: 30% of the insured's base salary is paid if the insured requires the constant attendance of others to perform daily functions.

Child's supplement: 5% of the permanent disability pension is paid for the third and each subsequent child entitled to family allowances.

The minimum monthly permanent disability pension is 132,258.72 pesos if younger than age 70; 144,614.74 pesos if aged 70 to 75; or 154,299.05 pesos if older than age 75.

The maximum initial monthly permanent disability pension is 1,234,819 pesos.

Partial disability: For an assessed degree of disability of 40% to 69%, 35% of the insured's base salary is paid. A lump sum of up to 15 months of base salary is paid for an assessed degree of disability of 15% to 39%.

**Benefit adjustment:** Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index is at least 10% before the 12-month cycle ends.

### **Workers' Medical Benefits**

Benefits include necessary medical, surgical, dental, and pharmaceutical services; hospitalization; prostheses; rehabilitation; transfer costs, and occupational retraining. Benefits are provided from the first day after the disability began or the diagnosis of the occupational disease until the person has recovered.

There is no limit to duration.

There is no cost sharing.

### **Survivor Benefits**

#### **Survivor pension**

*Spouse's pension:* 50% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow older than age 45 (at any age if disabled or caring for a child) or to a widower with a disability; 60% if there are no eligible children.

A widow(er) younger than age 45 receives a pension while receiving family benefits for legitimate children (for one year without family benefits). If a widow(er) caring for a child reaches age 45 during this period, the benefit is paid for life.

The minimum monthly spouse's pension is 85,827.30 pesos for a survivor younger than age 70 without children; 107,091.04 pesos from age 70. The minimum monthly spouse's pension is 71,792.39 pesos for a survivor younger than age 70 with children; 92,475.77 pesos from age 70.

The pension ceases upon remarriage and a lump sum of two years of the pension is paid.

*Orphan's pension:* 20% of the permanent disability pension the deceased received or was entitled to receive is paid for each child younger than age 18 (age 24 if a student, no limit if disabled); 50% for each full orphan.

The minimum monthly orphan's pension is 19,838.81 pesos.

The maximum combined survivor benefit is 100% of the permanent disability pension the deceased received or was entitled to receive.

**Benefit adjustment:** Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index is at least 10% before the 12-month cycle ends.

**Funeral grant:** A lump sum of up to three times the monthly non-remuneration minimum wage is paid.

The monthly non-remuneration minimum wage is 174,166 pesos.

**Disability education grant:** Eligible orphans who are students with an assessed degree of disability of 15% to 70% and with earnings lower than the legal monthly minimum wage receive a monthly benefit of 22.3% of the legal monthly minimum income used for other purposes.

The legal monthly minimum income used for other purposes is 174,166 pesos.

### **Administrative Organization**

Ministry of Labor and Social Security, through the Superintendent of Social Security (<http://www.suseso.cl/>), provides general supervision.

Occupational Safety Institute (<http://www.isl.gob.cl/>) and the Employer's Mutuals (Asociación Chilena de Seguridad, Mutual de Seguridad de la Cámara Chilena de la Construcción, and Instituto de Seguridad del Trabajo) administer the program and collect contributions.

### **Unemployment**

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#### **Regulatory Framework**

**First law:** 1937.

**Current laws:** 1981 (unemployment) and 2001 (severance account system).

**Type of program:** Employment-related and mandatory individual account system.

#### **Coverage**

**Employment related:** Employed persons.

Exclusions: Self-employed persons.

**Mandatory individual account:** Employed persons hired on or after October 2, 2002.

Voluntary coverage for employed persons hired before October 2, 2002.

Exclusions: Household workers, apprentices, pensioners (unless partially disabled), self-employed persons, civil servants, and military personnel.

#### **Source of Funds**

##### **Insured person**

*Employment related:* None.

*Mandatory individual account:* 0.6% of monthly covered earnings plus an administrative fee of about 0.04% for workers with permanent contracts. Workers with fixed-term contracts do not contribute.

The maximum monthly earnings used to calculate contributions are 113.5 UFs (Unidad de Fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.



The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

### Self-employed person

*Employment related:* Not applicable.

*Mandatory individual account:* Not applicable.

### Employer

*Employment related:* None.

*Mandatory individual account:* 1.6% of monthly covered payroll for up to 11 years of service plus 0.8% to the Solidarity Severance Fund for employees with permanent contracts; 2.8% plus 0.2% to the Solidarity Severance Fund for employees with fixed-term contracts.

The maximum monthly earnings used to calculate contributions are 113.5 UFs. The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 26,665.98 pesos.

### Government

*Employment related:* The total cost, financed through the Unified Family Allowances and Unemployment Fund.

*Mandatory individual account:* An annual contribution to the Solidarity Severance Fund of 225,792 UTM (Unidad Tributaria Mensual). The UTM, a monthly tax indexed unit set by law, is 46,787 pesos.

### Qualifying Conditions

**Unemployment benefit (employment related):** Must be involuntarily unemployed with at least 12 months or 52 weeks of contributions in the previous two years, registered for employment, and able and willing to work. The insured may not receive an employment-related benefit and an individual account benefit at the same time.

**Unemployment benefit (mandatory individual account):** Insured persons with permanent contracts must be involuntarily unemployed with at least 12 months of contributions. Insured persons with fixed-term contracts must have at least six months of contributions. In both cases, the period covers the time since they first joined the system or since the insured received the last unemployment benefit.

If the balance in the individual account is insufficient to pay a benefit, the insured is eligible for a benefit under the Solidarity Severance Fund if unemployment was involuntary and the insured has made at least 12 months of contributions in the last two years before unemployment began (the last three under the same employer); has not received more than 10 payments from the Solidarity Severance Fund in the last five years; is actively seeking employment, and is

available to take job interviews and receive training and temporary job offers.

Solidarity supplement: The insured must opt for payment of benefits under the Solidarity Severance Fund.

### Unemployment Benefits

#### Unemployment benefit (employment related):

17,338 pesos a month is paid for the first 90 days; from 91 days to 180 days, 11,560 pesos a month; from 181 days to 360 days, 8,669 pesos a month.

Unemployment beneficiaries may continue to receive family allowances, maternity benefits, medical benefits and the funeral grant.

If the benefit ceases because the insured has started a new job before 360 days of benefits have been paid, but the insured subsequently becomes unemployed again, the insured may continue receiving the benefit for the remaining period, up to 360 days.

#### Unemployment benefit (mandatory individual account):

The number of monthly benefits paid depends on the individual account balance plus accrued interest. The benefit has a decreasing replacement rate of 70%, 55%, 45%, 40%, 35%, 30% and 30% (for the seventh and each subsequent monthly payment).

Workers under permanent contracts who are entitled to the Solidarity Severance Fund can receive up to five monthly benefits with a decreasing replacement rate of 70%, 55%, 45%, 40% and 35% on the average earnings in the last 12 months.

The minimum monthly benefit is 173,477 pesos for the first payment, 136,304 pesos for the second payment, 111,521 pesos for the third payment, 99,130 pesos for the fourth payment, 86,739 pesos for the fifth payment. Any subsequent payment is at least 74,347 pesos.

The maximum monthly benefit is 578,258 pesos for the first payment, 454,346 pesos for the second payment, 371,737 pesos for the third payment, 330,433 pesos for the fourth payment, 289,129 pesos for the fifth payment. Any subsequent payment is up to 247,825 pesos.

Workers under fixed-term contracts who are entitled to the Solidarity Severance Fund can receive up to three monthly benefits with a decreasing replacement rate of 50%, 40% and 35% on the average monthly earnings in the last 12 months.

The minimum monthly benefit is 123,912 for the first payment, 99,130 for the second payment, and 86,739 for the third payment pesos. Any subsequent payment is at least 74,347 pesos.

The maximum monthly benefit is 413,042 pesos for the first payment, 330,433 for the second payment, and 289,129 for the third payment. Any subsequent payment is up to 247,825 pesos.



For every month that the national unemployment rate is one percentage point greater than the national four-year average, all beneficiaries of the Solidarity Severance Fund who are due to collect their final payment are entitled to receive two additional months of benefits of 30% of the insured's average monthly earnings in the last 12 months.

If the insured dies before retirement, the accumulated capital is transferred to a named survivor. An insured person can withdraw the accumulated capital or transfer it to the individual pension account upon retirement (no taxes).

The insured can opt not to receive benefits from the Solidarity Severance Fund and only use their individual severance account. Unemployment beneficiaries may continue to receive family allowances, maternity benefits, and medical benefits.

Solidarity supplement: 10% of the monthly unemployment benefit is paid to the mandatory individual account for old-age, disability, and survivor benefits (see Old Age, Disability, and Survivors).

Benefits are paid 10 days after the claim is accepted.

### Administrative Organization

Ministry of Labor and Social Welfare, through the Superintendent of Social Security (<http://www.suseso.cl/>), provides general supervision of the employment-related program.

Social Security Institute (<http://www.ips.gob.cl/>) and Family Allowance Compensation Funds administer the employment-related program.

Superintendent of Pensions (<http://www.safp.cl/>) provides general supervision of the mandatory individual account program.

AFC Chile (Sociedad Administradora de Fondos de Cesantía de Chile S.A.) (<https://www.afc.cl/>) administers the mandatory individual account program and collects contributions.

### Family Allowances

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#### Regulatory Framework

**First laws:** 1937 (salaried employees) and 1953 (wage earners).

**Current laws:** 1981 (family allowances for low-income persons); 1981 (wage earners and salaried employees), implemented in 1982; 2008 (social security reform); 2009 (social protection for children); 2012 (CCT); and 2014 (family allowances and maternity benefits).

**Type of program:** Employment-related and social assistance system.

#### Coverage

**Employment related:** Public- and private-sector workers; self-employed persons who contribute to old-age and

sickness schemes; pensioners; persons receiving work injury, temporary disability, or unemployment benefits; minors who are entrusted to adults by a judge; unemployed persons receiving benefits from the Solidarity Severance Fund; and persons in state institutions.

**Social assistance:** Needy families.

Families covered by the employment-related program can opt for social assistance family benefits.

**Child benefit (Chile Crece Contigo, social assistance):** Citizens of Chile.

### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost, financed through the Unified Family Allowances and Unemployment Fund (family allowances) and the Family Subsidy National Fund (family subsidy).

### Qualifying Conditions

**Family allowance (employment related, income tested):** Paid to salaried insured persons with dependents and monthly average income of up to 645,400 pesos (rising to 659,744 pesos in January 2018).

Allowances are paid for children younger than age 18 (age 24 if a student; no limit if disabled), a wife, a husband with a disability, a widowed mother, stepchildren, orphaned or abandoned grandchildren and great-grandchildren, orphans, parents older than age 65 or disabled, and minors who are entrusted to adults by a judge.

**Maternity allowance (employment related, income tested):** Paid to pregnant salaried workers or to workers on behalf of their pregnant wives with an average monthly income of up to 645,400 pesos (rising to 659,744 pesos in January 2018).

**Family subsidy (social assistance, means tested):** Paid to vulnerable families with children younger than age 18 (no limit if disabled) or with mentally disabled family members who do not receive a disability pension. If mothers receive the benefit on account of their children, they are entitled to an additional subsidy.

Children older than age 6 must regularly attend primary, middle, or secondary school in recognized education institutions (unless disabled).

The family subsidy is not paid to individuals who receive the family allowance or the basic solidarity pension (see Old Age, Disability, and Survivors).

Means test: Must be included in the social registry of households as one of the 60% of most vulnerable families.

**Maternity and pregnancy subsidy (social assistance, means tested):** Paid to pregnant women not receiving a family subsidy.

Means test: Must be included in the social registry of the 60% most vulnerable households in Chile.

**Family cash transfer (Ingreso Ético Familiar, social assistance, means tested):** Paid to extremely poor families, vulnerable people aged 65 or older, homeless persons, and children younger than age 18 whose parents are incarcerated.

*Bono Base Familiar:* Paid to families enrolled in Ingreso Ético Familiar with a monthly per capita income below 37,729 a month in 2016.

*Bono de Protección:* Paid to all families enrolled in Ingreso Ético Familiar.

*Bono Control del Niño Sano:* Paid for children younger than age 6 who undergo regular medical examinations.

*Bono por Asistencia Escolar:* Paid for children aged 6 to 18. Each child must attend 85% of monthly classes in an official educational institution.

*Bono por Logro Escolar:* Paid for certain vulnerable children younger than age 24 who attend school and who score among the top 30% in their cohort in a school year.

**Youth employment subsidy (employment related, income tested):** Paid to vulnerable salaried and self-employed workers aged 18 to 25 included in the social registry of the 40% most vulnerable households in Chile and who do not work for the state or a quasi-public company. Must be paying contributions. Workers aged 21 to 25 must also have a high school diploma.

Income test: Must have a gross annual income below 5,439,369 pesos, or a monthly gross income below 453,281 pesos.

**Women's work grant (employment related, income tested):** Paid to vulnerable salaried and self-employed women aged 25 to 59 included in the social registry of the 40% most vulnerable households in Chile. Must be paying contributions.

Income test: Must have an annual gross income below 5,439,369 pesos, or a monthly gross income below 453,281 pesos.

**Permanent family grant (Bono Marzo, social assistance):** Paid to beneficiaries in the previous year of the family allowance, maternity allowance, family subsidy, or Ingreso Ético Familiar.

**Child benefit (Chile Crece Contigo, social assistance):** Paid for vulnerable children from pregnancy to age 4 who are delivered at public health centers.

## Family Allowance Benefits

**Family allowance (employment related, income tested):** A monthly allowance is paid for each dependent according to the insured's income: 11,091 pesos with monthly earnings up to 283,312 pesos; 6,806 pesos with monthly earnings greater than 283,312 and up to 413,808 pesos; and 2,151 pesos with monthly earnings greater than 413,808 and up to 645,400 pesos.

All allowances are doubled for dependents with disabilities.

**Maternity allowance (employment related, income tested):** A family allowance is paid to a pregnant woman from conception until childbirth; only one allowance is paid for multiple births.

The allowance may be claimed from the fifth month of pregnancy and is paid retroactively.

**Family subsidy (social assistance, means tested):** 11,091 pesos a month is paid.

**Maternity and pregnancy subsidy (social assistance, means tested):** 11,091 pesos a month is paid.

**Family cash transfer (Ingreso Ético Familiar, social assistance, means tested)**

*Bono Base Familiar:* Up to 19,940 pesos a month is paid, depending on the family income, for up to 24 months after enrollment in the program (figures from 2016).

*Bono de Protección:* 16,195 pesos a month is paid during the first six months of enrollment in the program; 12,341 pesos from month seven to 12; 8,483 pesos from month 13 to 18; 10,844 pesos from month 19 to 24 (figures for 2016).

*Bono Control del Niño Sano:* 6,000 pesos a month is paid for up to 24 months; may be paid in addition to other subsidies or allowances.

*Bono por Asistencia Escolar:* 6,000 pesos a month is paid for up to 24 months; may be paid in addition to other subsidies or allowances.

*Bono por Logro Escolar:* A lump sum of 57,776 pesos is paid for students in the top 15% of their cohort; 34,666 pesos for students in the top 30% (as of September 2017).

**Youth employment subsidy (employment related, income tested):** The worker can choose a monthly or an annual benefit.

The annual amount depends on the insured's annual income: 20% of annual income is paid with annual income up to 2,417,497.61 pesos; 483,499.52 pesos with income of 2,417,497.62 to 3,021,872.28 pesos; 483,499.52 pesos minus 20% of the difference between annual income and 3,021,872.28 pesos with income of 3,021,872.29 to 5,439,368.82 pesos.

The monthly amount depends on the insured's monthly income: 20% of monthly income is paid with monthly

earnings up to 201,456.80 pesos; 40,291.36 pesos with earnings of 201,456.80 to 251,822.33 pesos; 40,291.36 pesos minus 20% of the difference between monthly earnings and 251,822.33 pesos with monthly earnings from 251,822.33 up to 453,281.27 pesos.

For monthly benefits, the employer receives a subsidy of 50% of the workers' monthly benefit for 24 months.

**Women's work grant (employment related, income tested):** The worker can choose a monthly or an annual benefit.

The annual amount depends on the insured's annual income: 20% of annual income is paid for income up to 2,417,497.61 pesos; 483,499.52 pesos with income of 2,417,497.62 to 3,021,872.28 pesos; 483,499.52 pesos minus 20% of the difference between annual income and 3,021,872.28 pesos with income of 3,021,872.28 to 5,439,368.82 pesos.

The monthly amount is paid for up to 4 years and depends on the insured's monthly income: 20% of monthly income is paid with monthly earnings up to 201,456.80 pesos; 40,291.36 pesos with earnings of 201,456.80 to 251,822.33 pesos; 40,291.36 pesos minus 20% of the difference between the monthly earnings and 251,822.33 pesos with monthly earnings from 251,822.33 up to 453,281.27 pesos.

In the case of monthly benefits, the employer receives a benefit that is 50% of the workers' monthly benefit for 24 months.

**Permanent family grant (Bono Marzo, social assistance):** 44,209 pesos a year is paid for each family member entitled to a family allowance or subsidy or a maternity allowance or subsidy; 44,209 pesos a year for each family enrolled in Ingreso Ético Familiar.

**Child benefit (Chile Crece Contigo, social assistance):** Benefits include a layette, free kindergarten counselling, and other services.

Benefit adjustment: All employment-related and social assistance benefits are adjusted on an ad hoc basis.

### **Administrative Organization**

Ministry of Labor and Social Welfare, through the Superintendent of Social Security (<http://www.suseso.cl/>) provides general supervision.

Social Security Institute (<http://www.ips.gob.cl/>), Family Allowance Compensation Funds, individual pension fund management companies (AFPs), insurance companies, employer mutuals, and AFC Chile (Sociedad Administradora de Fondos de Cesantía de Chile S.A.) (<https://www.afc.cl/publico/index.html/>) administer the employment-related program.

Municipalities and the Social Security Institute (<http://www.ips.gob.cl/>) administer the social assistance program.

## Colombia

Exchange rate: US\$1.00 = 3,047.30 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1946, implemented in 1965.

**Current laws:** 1993 (social insurance), implemented in 1994; 2005 (means-tested individual account (BEPS)), implemented in 2014; 2007 (national development; 2012 (family pensions), implemented in 2014; 2013 (social pension); 2013 (self-employed workers); and 2016 (pension system).

**Type of program:** Social insurance, mandatory and voluntary individual account, and social assistance system.

Note: The insured must choose between the social insurance and mandatory individual account programs and may switch membership every five years up to 10 years before the normal retirement age.

The Beneficios Económicos Periódicos (BEPS) individual account program was introduced in 2014 to allow low-income individuals without mandatory coverage to contribute voluntarily to the general pension system. Participating individuals receive a 20% match of lifetime contributions from the government upon reaching the normal retirement age.

#### Coverage

**Social insurance and mandatory individual account:** Public- and private-sector employees, including household, short-term (less than one month of consecutive work), and daily workers; foreign employees not covered by any other pension program; and employees of the state oil company (Ecopetrol) hired on or after January 29, 2003; and self-employed persons.

Before January 1, 2015, insured persons aged 40 or older (men) or aged 35 or older (women) and workers with at least 15 years of contributions were only covered by the social insurance program.

Voluntary coverage is available for residents of Colombia, citizens residing abroad, and foreign employees covered through another pension program.

Special systems for Ecopetrol employees hired before January 30, 2003, teachers, and military and police personnel.

**Voluntary individual account (Beneficios Económicos Periódicos, BEPS):** Needy citizens of Colombia.

**Social assistance (Colombia Mayor):** Needy citizens of Colombia.

### Source of Funds

#### Insured person

**Social insurance, mandatory individual account, and social assistance:** 4% of covered earnings. An additional contribution that ranges from 1% of covered earnings with income from four to 16 times the legal monthly minimum wage up to 2% of covered earnings with income above 20 times the legal monthly minimum wage finances the Pension Solidarity Fund and Guarantee (the first 0.5% finances contribution subsidies for certain self-employed persons; the rest subsidizes the BEPS voluntary individual account and the Colombia Mayor social pension).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

Of the combined insured person and employer social insurance contributions, 13% is allocated to old-age benefits, 1.81% to disability and survivor benefits, and 1.09% to administrative fees.

Of the combined insured person and employer individual account contributions, 11.5% is allocated to old-age benefits, 3.0% to disability and survivor benefits and administrative fees, and 1.5% to the guaranteed minimum pension.

**Voluntary individual account (BEPS):** See source of funds for Social insurance, individual account and social assistance above. Voluntary contributions are also possible.

The minimum annual voluntary contribution is 5,000 pesos.

The maximum annual voluntary contribution is 990,000 pesos.

Contributions do not have to be made regularly.

Contributions are paid monthly (weekly for short-term or daily workers).

#### Self-employed person

**Social insurance:** 13% of covered declared earnings (old age); 1.81% (disability and survivors), and 1.09% (administrative fees).

Certain vulnerable self-employed persons may receive a subsidy of 70% to 95% of their required contributions for 500 to 750 weeks.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Mandatory individual account:** 11.5% of declared earnings (old age); 1.5% (disability and survivors); 1.5% (administrative fees); and 1.5% (minimum guaranteed pension).

**Voluntary individual account (BEPS):** Voluntary contributions.



The minimum annual voluntary contribution is 5,000 pesos.

The maximum annual voluntary contribution is 990,000 pesos.

Contributions do not have to be made regularly.

**Social assistance:** None with income less than four times the legal monthly minimum wage; 1% of covered earnings with income from four to 16 times the legal monthly minimum wage; up to 2% of covered earnings with income above 20 times the legal monthly minimum wage.

The minimum monthly earnings used to calculate contributions are four times the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 20 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

Contributions are paid monthly (weekly for short-term or daily workers).

### Employer

**Social insurance and mandatory individual account:** 12% of covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

Of the combined insured person and employer social insurance contributions, 13% is allocated to old-age benefits, 1.81% to disability and survivor benefits, and 1.09% to administrative fees.

Of the combined insured person and employer individual account contributions, 11.5% is allocated to old-age benefits, 3.0% to disability and survivor benefits and administrative fees, and 1.5% to the guaranteed minimum pension.

The employer pays an additional 10% of covered payroll for workers engaged in certain forms of hazardous employment to finance the special pension.

Contributions are paid monthly (weekly for short-term or daily workers).

**Voluntary individual account (BEPS):** Voluntary contributions.

**Social assistance:** None.

### Government

**Social insurance and mandatory individual account:** None; contributes as an employer.

**Voluntary individual account (BEPS):** Partially subsidizes the Pension Solidarity Fund, which directs 20% of its account balance to BEPS voluntary individual accounts; also pays 20% of balances transferred from the social insurance or mandatory individual account programs to the BEPS individual account program.

**Social assistance:** Partially finances contribution subsidies for certain self-employed persons and the Colombia Mayor social pension.

### Qualifying Conditions

**Old-age pension (social insurance):** Age 62 (men) or age 57 (women) with at least 1,300 weeks of contributions.

**Old-age family pension (social insurance, means tested):** Paid to a couple of pensionable age (married or domestic partners) who lived together for at least five years before reaching age 55, and individually do not meet the contribution requirements for a social insurance old-age pension but together have at least 1,300 weeks of contributions. Each member of the couple must have paid 25% of the required weeks of contributions to qualify (at least 325 weeks) and be classified as SISBEN I or II. If one member of the couple is covered by the social insurance program and the other by the mandatory individual account program, the member in the mandatory individual account program must first transfer to the social insurance program (only permitted if the member had fewer than 10 years before retirement on October 1, 2012).

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

The old-age family pension ceases upon divorce or separation.

**Special pension (social insurance):** Aged 50 to 55 with 1,300 weeks of contributions, including at least 700 weeks of contributions made while in certain forms of hazardous employment, according to specified qualifying conditions.

**Old-age settlement (social insurance):** Must be of pensionable age but not meet the contribution requirements for a social insurance old-age pension and cannot continue to work to reach the minimum contribution period (1,300 weeks).

**Old-age pension (mandatory individual account):** The accumulated capital in the individual account is sufficient to purchase an annuity greater than 110% of the legal monthly minimum wage. Must have at least 1,150 weeks of contributions.

**Guaranteed minimum pension:** Age 62 (men) or age 57 (women) with at least 1,150 weeks of contributions and the individual account balance is insufficient to finance the minimum pension set by law.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Old-age family pension (mandatory individual account):** Paid to a couple of pensionable age (married or domestic partners) who have lived together for at least five years before reaching age 55; individually each person does not have enough funds in his or her mandatory individual



account to finance an old-age pension but the combined account balances are sufficient for an old-age pension. Both members of the couple must be enrolled in the same pension fund management company (SAFP); if they are enrolled in different SAFPs, the member with the lower account balance must switch to the other's company. If one member of the couple is covered by the social insurance program and the other is covered by the mandatory individual account program, the member covered by social insurance program must first transfer to the mandatory individual account program and enroll in the same SAFP as the other member (only permitted if on October 1, 2012, the member had fewer than 10 years before retirement).

**Guaranteed minimum family pension:** Paid to a couple of pensionable age who lived together for at least five years before reaching age 55; individually each person does not have enough funds in his or her individual account to finance the minimum pension set by law; must have at least a combined 1,150 total weeks of contributions.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Old-age benefit (BEPS, voluntary individual account, means tested):** Age 62 (men) or age 57 (women); the combined balance of all individual accounts is insufficient to finance the minimum pension set by law. The amount saved a year is less than the minimum annual contribution for old-age pensions. Must be classified as SISBEN I, II, or III.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

BEPS account balances (including accrued interest) can be transferred to the social insurance or mandatory individual account programs and are credited as additional contribution periods.

The BEPS benefit can be combined with the old-age social pension but not a guaranteed minimum pension.

**Old-age social pension (Colombia Mayor, social assistance, means tested):** Must be at least three years younger than the normal retirement age, have resided in Colombia for the last 10 years, and be classified as SISBEN I or II.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

The old-age social pension can be combined with the BEPS voluntary individual account.

**Disability pension (social insurance and mandatory individual account):** Must have at least a 50% assessed loss of working capacity and: be younger than age 20 and have at least 26 weeks of contributions in the year before the disability began; be aged 20 or older and have at least

50 weeks of contributions in the three years before the disability began; or be any age and have at least 975 weeks of contributions, including 25 weeks of contributions in the three years before the disability began.

The degree of disability may be reviewed every three years.

**Disability settlement (social insurance and mandatory individual account):** Must meet the age and disability requirements for a social insurance disability pension but not meet the contribution requirements.

**Disability benefit (BEPS, voluntary individual account, means tested):** Must have made at least six contributions or contributions equal to six times the legal daily minimum wage in the last 12 months. Must be classified as SISBEN I, II, or III.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

**Survivor pension (social insurance and mandatory individual account):** The deceased received or was entitled to receive an old-age or disability pension at the time of death; had at least 50 weeks of contributions in the last three years, and contributed for at least 25% of the time from age 20 to the date of death if the death was the result of an illness (20% of the time if the death was the result of an accident).

Eligible survivors include a widow(er) or partner who lived with the deceased for at least five years or who had children with the deceased; dependent children younger than age 18 (age 25 if a student, no limit if disabled); dependent parents; and a dependent sibling with a disability.

**Survivor settlement (social insurance and mandatory individual account):** The deceased did not meet the contribution requirements for an old-age or disability pension or had lived with the deceased for less than five years in the case of a widow(er) or partner.

Eligible survivors include a widow or partner who lived with the deceased for at least five years or who had children with the deceased; a dependent, a disabled widower; children younger than age 18 (age 25 if a student, no limit if disabled); dependent parents; or a sibling with a disability.

**Survivor benefit (BEPS, voluntary individual account, means tested):** The deceased must have made at least six contributions or contributions equal to six times the legal daily minimum wage in the last 12 months and was not receiving a BEPS pension.

**Funeral grant (social insurance and mandatory individual account):** Paid when an insured person or old-age pensioner dies.

**Funeral grant (BEPS, voluntary individual account, means tested):** Age 62 (men) or 57 (women); the combined balance of all individual accounts is insufficient to finance the minimum pension set by law. The amount saved a year is less than the minimum annual contribution for old-age pensions.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

### **Old-Age Benefits**

**Old-age pension (social insurance):** 55% to 65% of the basic monthly wage (the lower the salary, the higher the replacement rate) plus 1.5% for each 50-week period of contributions is paid, up to 80% of the basic monthly wage.

The basic monthly wage is the insured's average earnings in the last 10 years.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum monthly social insurance old-age pension is the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Old-age family pension (social insurance, means tested):** The legal monthly minimum wage is split equally between the spouses or domestic partners.

**Special pension (social insurance):** The pension is calculated in the same way as the social insurance old-age pension.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

**Old-age settlement (social insurance):** A portion of the insured's average weekly wage on which the insured made contributions multiplied by the number of weeks of contributions is paid as a lump sum.

**Old-age pension (mandatory individual account):** The insured has three different payment options: receive programmed withdrawals, purchase an annuity, or use a combination of these two options.

Guaranteed minimum pension: The difference between the individual account balance and the minimum pension set by law is paid.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

With less than 1,150 weeks of contributions, a lump sum of the individual account balance is paid.

**Old-age family pension (mandatory individual account):** The mandatory individual account old-age pension is split equally between the spouses or domestic partners.

Guaranteed minimum family pension: The pension is calculated in the same way as the guaranteed minimum pension for the mandatory individual account old-age pension.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

**Old-age benefit (BEPS, voluntary individual account, means tested):** The account balance plus a 20% subsidy is paid; if the old-age settlement or the mandatory individual account balance is transferred to the BEPS voluntary individual account, an additional 20% subsidy of the transferred amount is paid, up to 85% of the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Old-age social pension (Colombia Mayor, social assistance, means tested):** 40,000 to 75,000 pesos a month is paid. The maximum benefit is paid if the insured contributed to the BEPS voluntary individual account.

Local governments may cofinance the program to increase the benefit levels in their jurisdictions.

### **Permanent Disability Benefits**

**Disability pension (social insurance and mandatory individual account):** For an assessed degree of disability greater than 66%, 54% of the basic monthly wage plus 2% for each 50-week period of contributions exceeding 800 weeks is paid, up to 75%. For an assessed degree of disability of 50% to 66%, 45% of the basic monthly wage plus 1.5% for each 50-week period of contributions exceeding 500 weeks is paid.

The basic monthly wage is the insured's average earnings in the last 10 years before receiving the pension.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum monthly disability pension is the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price.

**Disability settlement (mandatory individual account):** A lump sum of the individual account balance may be paid or the insured may continue to make contributions to qualify for an old-age pension.

**Disability benefit (BEPS, voluntary individual account, means tested):** A lump sum of 10 to 15 times the account balance for annual savings from 100,001 to

990,000 pesos; up to 1,000,000 pesos for annual savings up to 100,000 pesos.

### **Survivor Benefits**

**Survivor pension (social insurance and mandatory individual account):** 100% of the old-age or disability pension the deceased received, or 45% of the deceased's monthly earnings plus 2% for each 50-week period of contributions exceeding 500 weeks, is paid, up to 75% of the deceased's monthly earnings.

The pension is paid for life if the widow(er) or partner was aged 30 or older at the time of the insured's death or if the couple had a common child; up to 20 years if the widow(er) or partner was younger than age 30 and did not have a child with the deceased.

The basic monthly wage is the deceased's average earnings in the last 10 years.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum combined survivor pension is the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

If the deceased received an old-age family pension, 100% of the deceased's old-age family pension is paid to the widow(er) in the absence of dependent children; if there are dependent children, the deceased's old-age family pension is split between the widow(er) and children without any change to the widow(er)'s old-age family pension.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

**Survivor settlement (social insurance):** The old-age settlement the deceased was entitled to receive at the time of death is paid.

**Survivor settlement (mandatory individual account):** A lump sum of the account balance is paid.

**Survivor benefit (BEPS, voluntary individual account, means tested):** A lump sum of the account balance plus accrued interest is paid.

**Funeral grant (social insurance and mandatory individual account):** One month of the deceased's old-age or disability pension or last wage is paid to cover the cost of the funeral.

The minimum funeral grant is five times the legal monthly minimum wage.

The maximum funeral grant is 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Funeral grant (BEPS, voluntary individual account, means tested):** A lump sum of 1.5 times the legal monthly minimum wage is paid to cover the cost of the funeral.

The legal monthly minimum wage is 737,717 pesos.

### **Administrative Organization**

Ministry of Labor (<http://www.mintrabajo.gov.co/>) provides general supervision.

Financial Superintendence of Colombia (<https://www.superfinanciera.gov.co/>) provides general financial supervision.

Colpensiones (<https://www.colpensiones.gov.co/>) administers the social insurance and BEPS programs nationally.

Pension and Severance Pay Fund management companies (SAFPCs) administer individual accounts.

Colombia Mayor Consortium (<https://colombiamayor.co/>) manages the social assistance program.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx/>) collects contributions.

Banks pay benefits.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1938.

**Current laws:** 1993 (social insurance and social assistance), implemented in 1994; 2002 (parental leave); and 2011 (labor code).

**Type of program:** Social insurance and social assistance system.

#### **Coverage**

**Social insurance:** Residents of Colombia who are employees, pensioners, students, apprentices, or unemployed persons.

Coverage is being gradually extended to all citizens of Colombia regardless of their ability to contribute.

**Social assistance:** Needy residents of Colombia. Special systems for military and police personnel.

#### **Source of Funds**

##### **Insured person**

**Social insurance:** 4% of earnings; pensioners contribute 12% of their monthly pensions for medical benefits.

**Social assistance:** None.

### Self-employed person

**Social insurance:** 12.5% of declared earnings, 1.5% of which finances the social assistance program (solidarity contributions).

Declared earnings used to calculate contributions are 1.5 or two times the legal monthly minimum wage, depending on trade union affiliation.

The legal monthly minimum wage is 737,717 pesos.

**Social assistance:** None.

### Employer

**Social insurance:** 8.5% of covered payroll, 1.5% of which finances the social assistance program (solidarity contributions).

The minimum earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Social assistance:** None.

### Government

**Social insurance:** None; contributes as an employer.

**Social assistance:** Subsidies as needed.

### Qualifying Conditions

**Cash sickness and medical benefits (social insurance):** Must have at least four weeks of contributions immediately before the claim is made, except for emergencies.

**Cash maternity benefit (social insurance):** Must have at least nine months of contributions before the expected date of childbirth or adoption.

**Paternity leave (social insurance):** Must have at least 100 weeks of contributions before the expected date of childbirth or adoption.

**Medical benefits (social assistance):** Provided to vulnerable persons, including persons classified as SISBEN I or II (or SISBEN III for persons covered by the program before January 9, 2007); indigenous and internally displaced persons; children under the custody of ICBF; prisoners; and former rebels.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 66.6% of the insured's earnings in the month before the incapacity began (the average monthly earnings in the year before the incapacity began or during the total employment period, whichever is greater, for casual workers) is paid after a two-day waiting period for up to 180 days. (The employer pays the first two days.)

**Maternity benefit (social insurance):** 100% of the insured's last earnings before the maternity leave is paid for 18 weeks (20 weeks for multiple births). In case of premature birth, the difference (number of days) between the actual and the expected date of childbirth is added.

**Paternity leave (social insurance):** 100% of the insured's earnings is paid for eight days.

### Workers' Medical Benefits

**Social insurance:** The insured may choose between public and private health care. Benefits include medical, surgical, hospital, pharmaceutical, maternity, and dental care; and related services. Pre-existing conditions are covered but may be subject to a waiting period; no waiting period for pregnant women.

**Cost sharing:** A copayment is required, depending on the insured person's income for certain services.

**Social assistance:** Benefits are the same as under the social insurance program.

**Cost sharing:** A copayment is required for certain services (except for persons classified as SISBEN I and persons living in equivalent situations of poverty).

### Dependents' Medical Benefits

Medical benefits for dependents (social insurance and social assistance) are the same as those for the insured person or main beneficiary. There is no waiting period for pregnant women or children younger than age 1.

**Cost sharing:** A copayment plus additional fees for dependents are required.

### Administrative Organization

National Superintendent of Health (<https://www.supersalud.gov.co/>) provides general supervision.

Ministry of Health (<https://www.minsalud.gov.co/>) administers the program.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx/>) collects contributions.

State Social Enterprises and private health institutions provide health services.

### Work Injury

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#### Regulatory Framework

**First law:** 1915.

**Current laws:** 1993 (social insurance), implemented in 1994; 2002 (work injury organization); 2012 (work injury); and 2016 (self-employed workers).

**Type of program:** Social insurance and individual account system.



## Coverage

Employed persons; pensioners who re-enter the workforce; certain students; and self-employed persons in high-risk occupations.

Voluntary coverage for certain self-employed persons and informal-sector workers.

## Source of Funds

**Insured person:** None.

**Self-employed person:** 0.348% to 4.089% of covered declared earnings, according to the assessed degree of risk.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Employer:** 0.348% to 8.7% of covered payroll, according to the assessed degree of risk. (Up to 3% of the employer's contribution finances the work injury fund, which promotes health and safety for workers.)

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Government:** Contributes to the work injury fund from general revenue; contributes as an employer.

## Qualifying Conditions

Must be assessed with a work injury or occupational disease. A medical board assesses the level of disability, and reassesses permanent disabilities every three years.

## Temporary Disability Benefits

100% of the insured's covered earnings is paid from the day after the work injury occurred or the occupational disease was diagnosed until rehabilitation or certification of permanent disability, up to 180 days (may be extended under certain circumstances for up to 180 days).

## Permanent Disability Benefits

**Permanent disability pension:** For an assessed degree of disability of more than 66%, 75% of base earnings is paid; for an assessed degree of disability of 50% to 66%, 60% of base earnings is paid.

Base earnings are the insured's average earnings in the last six months for a work accident benefit or in the last 12 months for an occupational disease benefit.

Constant-attendance allowance: 15% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: For an assessed degree of disability of 5% to 49%, a lump sum of two to 24 times the base earnings is paid.

Base earnings are the insured's average earnings in the last six months for a work accident benefit or in the last 12 months for an occupational disease benefit.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum monthly permanent disability pension is the legal monthly minimum wage.

The maximum monthly permanent disability pension is 20 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

## Workers' Medical Benefits

Benefits include medical, surgical, dental, and hospital care; medicine; appliances; rehabilitation; and transportation.

## Survivor Benefits

**Survivor pension:** 75% of the deceased's monthly earnings is paid to eligible survivors if the deceased was employed at the time of death; 100% of the deceased's permanent disability pension if the deceased was a pensioner at the time of death. If the pensioner received a constant-attendance allowance, the survivor pension is reduced by 15% of the permanent disability pension.

Eligible survivors include a widow(er) or partner who lived with the deceased for at least five years or who had children with the deceased; children younger than age 18 (age 25 if a student, no limit if disabled), or dependent parents or siblings.

The minimum monthly earnings used to calculate benefits are the legal monthly minimum wage.

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the minimum wage and the insured retired before July 31, 2011.

**Funeral grant:** One month of the deceased's old-age or disability pension or last wage is paid to cover the cost of the funeral.

The minimum funeral grant is five times the legal monthly minimum wage.



The maximum funeral grant is 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

### Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co/>), Financial Superintendence of Colombia (<https://www.superfinanciera.gov.co/>), and the National Superintendent of Health (<http://www.supersalud.gov.co/>) provide general supervision.

Labor Risk Administrators (ARLs) authorized by the Financial Superintendence of Colombia administer temporary disability benefits and partial disability pensions.

Colpensiones (<https://www.colpensiones.gov.co/>) administers permanent disability and survivor pensions for persons insured in the social insurance system.

Pension and Severance Fund management companies (SAF-PCs) administer permanent disability and survivor pensions for persons insured in the individual account system.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx/>) collects contributions.

### Unemployment

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#### Regulatory Framework

**First and current laws:** 1990 (severance) and 2013 (unemployment protection).

**Type of program:** Social insurance, and mandatory and voluntary individual account system.

#### Coverage

Employed persons.

Voluntary coverage for self-employed persons.

#### Source of Funds

##### Insured person

*Social insurance:* None.

*Mandatory individual account:* None.

*Voluntary individual account:* Employed persons may choose to allocate a portion of their contribution to the mandatory individual account to their supplemental individual account.

##### Self-employed person

*Social insurance:* See source of funds under Family Allowances.

*Mandatory individual account:* One month of the insured's annual salary is paid a year.

*Voluntary individual account:* Self-employed persons may choose to allocate a portion of their contribution to the mandatory individual account to their supplemental individual account.

##### Employer

*Social insurance:* See source of funds under Family Allowances.

*Mandatory individual account:* One month of the insured's annual salary, except salaried person under certain types of contract (integral salary; earning more than 10 times the legal monthly minimum wage) is paid a year.

*Voluntary individual account:* None.

##### Government

*Social insurance:* See source of funds under Family Allowances.

*Mandatory individual account:* None; contributes as an employer.

*Voluntary individual account:* None.

#### Qualifying Conditions

**Unemployment benefit (social insurance):** Must have been enrolled in a family allowances fund for at least one year (at least two years for self-employed persons) in the three years before becoming unemployed, register with an employment service, and participate in training and vocational rehabilitation programs. Previously employed persons must provide a certificate of employment termination.

Must be actively seeking employment, be available to receive training, and accept job interviews and job offers, in agreement with the public employment service.

**Severance benefit (mandatory individual account):** Must be unemployed or retired.

**Other withdrawals:** Withdrawals are possible to finance family members' tertiary education, or to upgrade or purchase housing or property, independent of the employment status. Must provide proof of the amount due.

**Supplemental unemployment benefit (voluntary individual account):** Must have contributed at least 10% of the insured's average monthly wage in the last year (for those with earnings less than twice the legal monthly minimum wage) or at least 25% of the insured's average monthly wage in the last year (for those with earnings equal to at least twice the legal monthly minimum wage).

The legal monthly minimum wage is 737,717 pesos.

#### Unemployment Benefits

**Unemployment benefit (social insurance):** A monthly family benefit (which varies depending on the region) is paid for up to six months. A food voucher is paid for a six-month period worth, in total, 1.5 times the legal monthly

minimum wage. The Solidarity Fund for Employment Promotion and Protection against Unemployment pays the unemployed person's social security contributions for old-age, disability, survivors, and medical benefits for up to six months. The contribution is calculated based on the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Severance benefit (mandatory individual account):** One month of the insured's annual salary is paid for each year of employment; a reduced benefit is paid with less than a year of employment. (The insured may make authorized partial or total withdrawals from the mandatory individual severance account for education or housing.)

**Supplemental unemployment benefit (voluntary individual account):** A monthly benefit based on the account balance is paid for up to six months.

### Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co/>) and the Superintendent for Family Subsidies (<http://www.ssf.gov.co/>) provide general supervision.

Solidarity Fund for Employment Promotion and Protection against Unemployment (FOSFEC), administered by family allowance funds, pays social insurance unemployment benefits.

Pension and Severance Pay Fund management companies (SAFPCs) administer the individual accounts.

## Family Allowances

### Regulatory Framework

**First law:** 1957.

**Current laws:** 1982 (family allowances), 2012 (More Families in Action program), 2013 (Youth in Action program; household workers), and 2014 (migrant workers).

**Type of program:** Social insurance and social assistance system.

### Coverage

**Social insurance:** Public- and private-sector employees, including household and short-term (less than one month of continuous employment) and daily workers, and self-employed persons.

Voluntary coverage for pensioners, self-employed persons, Colombians residing abroad, Colombian residents, and unemployed persons.

Special systems for military and police personnel.

**Family cash transfer (Más Familias en Acción, social assistance):** Needy residents of Colombia.

**Student cash transfer (Jóvenes en Acción, social assistance):** Needy citizens of Colombia.

## Source of Funds

### Insured person

**Social insurance:** None. 2% of the legal monthly minimum wage or pension for the voluntarily insured (Colombians residing abroad pay 2% of their declared earnings, which must be at least two times the legal monthly minimum wage); 0.6% of the legal monthly minimum wage for reduced allowances.

The legal monthly minimum wage is 737,717 pesos.

**Social assistance:** None.

### Self-employed person

**Social insurance:** 2% of declared earnings; 0.6% of the legal monthly minimum wage for reduced allowances.

The legal monthly minimum wage is 737,717 pesos.

The self-employed person's contributions also finance the social insurance unemployment benefit under Unemployment.

**Social assistance:** None.

### Employer

**Social insurance:** 4% of payroll (weekly earnings for short-term or daily workers).

The minimum monthly earnings used to calculate contributions for household workers are the legal monthly minimum wage (a proportion of the legal monthly minimum wage for short-term or daily workers).

The legal monthly minimum wage is 737,717 pesos.

The employer's contributions also finance the social insurance unemployment benefit under Unemployment.

**Social assistance:** None.

### Government

**Social insurance:** None; contributes as an employer.

**Social assistance:** The total cost.

### Qualifying Conditions

**Family benefit (social insurance, income tested):** Paid for eligible dependents if the insured has completed at least 60 days of continuous employment with the same employer, 96 hours of which were credited during the last 25 working days.

Eligible dependents include children younger than age 18 (age 23 if a student, no limit if disabled); a dependent parent older than age 60; orphan siblings younger than 18 or dependent, disabled siblings (any age).

**Income test:** The insured's monthly income must not exceed four times the legal monthly minimum wage and the combined monthly earnings of either spouses or partners must not exceed six times the legal monthly minimum wage.

The legal monthly minimum wage is 737,717 pesos.

**Dependent's death allowance (Subsidio Extraordinario, social insurance, income tested):** Paid to an employee who qualifies for family benefits in the case of an eligible dependent.

Eligible dependents include children younger than age 18 (age 23 if a student, no limit if disabled); a dependent parent older than age 60; orphan siblings younger than 18 or dependent, disabled siblings (any age).

**Surviving spouse allowance (social insurance):** The deceased received the social insurance family benefit and leaves behind a dependent.

Eligible dependents include children younger than age 18 (age 23 if a student, no limit if disabled); a dependent parent older than 60; an orphan sibling younger than 18, or a dependent disabled sibling (any age).

**Family cash transfer (Más Familias en Acción, social assistance):** Paid to households with children younger than age 18 that are classified as SISBEN I, II, or III, registered in Red Unidos, or classified as internally displaced or indigenous.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

Red Unidos is a part of the government's national strategy for overcoming extreme poverty.

Families with children aged 0 to 7 must attend scheduled growth and development check-ups and follow the vaccination schedule. Children must enroll in school, attend at least 80% of monthly classes, and not miss more than two years of school.

**Student cash transfer (Jóvenes en Acción, social assistance):** Aged 16 to 24 and enrolled in higher education. Must be classified as SISBEN I, II, or III, registered in Red Unidos, registered with the Family Wellbeing Institute, or classified as internally displaced or indigenous.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

Red Unidos is a part of the government's national strategy for overcoming extreme poverty.

### **Family Allowance Benefits**

**Family benefit (social insurance, income tested):** Monthly benefit amounts vary from 16,293 to 45,955 pesos according to the fund and may be paid in cash or in kind. A double allowance is paid to a parent, an orphan sibling, or a child assessed with a disability of at least 60%.

**Dependent's death allowance (Subsidio Extraordinario, social insurance, income tested):** A lump sum of 12 times the monthly family benefit is paid for each surviving dependent.

**Surviving spouse allowance (social insurance):** Twelve times the monthly allowance is paid to a widow or the guardian for each eligible dependent.

**Family cash transfer (Más Familias en Acción, social assistance):** 68,150 to 79,500 pesos a month is paid for each child aged 0 to 7 (health benefit); an additional 11,375 to 62,475 pesos a month (depending on the region and education level) is paid for each child aged 5 to 18 (education benefit), up to three children (no limit for disabled children and children age 5).

The benefit is paid every two months to the head of the family.

Benefits are adjusted annually according to changes in the consumer price index.

**Student cash transfer (Jóvenes en Acción, social assistance):** 200,000 pesos a month is paid. The benefit is paid for six months for a vocational program, for 12 months for a technological program, and for 30 months for a university degree. University students with good results (3.5 out of 5 or better) receive a top up of 400,000 pesos after each semester; an additional premium of 200,000 pesos is paid after each semester to university students with excellent results (4.3 out of 5 or better).

The benefit is paid every two months to the student.

### **Administrative Organization**

Ministry of Labor (<http://www.mintrabajo.gov.co/>) provides general supervision.

Superintendent of Family Subsidies (<http://www.ssf.gov.co/>) supervises family allowance funds.

Individual family allowance funds provide benefits.

The Department for Social Prosperity (<http://www.prosperidadsocial.gov.co/Paginas/Inicio.aspx/>) supervises and manages social assistance schemes.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx/>) collects contributions.

## Costa Rica

Exchange rate: US\$1.00 = 561.59 colones.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1941 (social insurance fund).

**Current laws:** 1992 (pensions), 1995 (self-employed), 1995 (individual accounts), 2000 (workers' protection), and 2005 (old-age, disability, and survivors).

**Type of program:** Social insurance and mandatory individual account system.

Note: A means-tested benefit is paid to certain elderly persons, persons with disabilities, and survivors under Family Allowances.

#### Coverage

**Social insurance:** Public- and private-sector employees and self-employed persons.

Special systems for teachers and employees of the justice department.

**Mandatory individual account:** Public- and private-sector employees younger than age 55 in 2005.

Exclusions: Self-employed persons.

#### Source of Funds

##### Insured person

**Social insurance:** 3.34% (gradually increasing to 4.5% by 2035) of gross earnings.

The minimum monthly earnings used to calculate contributions are 231,135 colones (January 2017).

There are no maximum earnings used to calculate contributions.

**Mandatory individual account:** 1% of earnings plus up to 0.19% of the account balance for administrative fees.

##### Self-employed person

**Social insurance:** 9.66% (gradually increasing to 12.16% by 2035) of gross declared earnings.

The minimum monthly earnings used to calculate contributions are 231,135 colones (January 2017).

There are no maximum earnings used to calculate contributions.

**Mandatory individual account:** Not applicable.

#### Employer

**Social insurance:** 5.08% (gradually increasing to 5.75% by 2035) of payroll.

The minimum monthly earnings used to calculate contributions are 231,135 colones (January 2017).

There are no maximum earnings used to calculate contributions.

**Mandatory individual account:** 3.25% of payroll.

#### Government

**Social insurance:** 1.24% (gradually increasing to 1.91% by 2035) of the gross income of all workers and self-employed persons.

**Mandatory individual account:** None.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 65 with at least 300 months of contributions. The retirement age may be reduced with additional months of contributions to as low as age 61 years and 11 months with at least 462 months of contributions (men) or age 59 years and 11 months with at least 450 months of contributions (women).

Early pension: Age 62 (men) or age 60 (women) with at least 300 months of contributions (increasing to 360 months in March 2018 and 420 months in September 2019). The early pension is being phased out by March 2021.

Partial pension: Age 65 with at least 180 months but less than 300 months of contributions.

Deferred pension: The pension may be deferred.

Retirement is not necessary, except for state employees.

Social insurance old-age pensions are not payable abroad.

##### Old-age pension (mandatory individual account):

Age 65 with at least 300 months of contributions and receives a social insurance old-age pension. The retirement age may be reduced with additional months of contributions to as low as age 61 years and 11 months with at least 462 months of contributions (men) or age 59 years and 11 months with at least 450 months of contributions (women). Persons who do not qualify for a social insurance pension may withdraw accumulated funds from their individual accounts at age 65.

Early withdrawals: Must be aged 57 or older with at least 66 months of contributions or have a certified disability or a terminal illness.

**Disability pension (social insurance):** Must have at least a 66.7% assessed loss of work capacity in the usual or equivalent occupation and at least 12 (if aged 24 or younger) to 120 (if aged 48 or older) months of contributions, including at least 12 months of contributions in the two years before the disability began (if aged 48 or younger) or 24 months in the four years before the disability



began (if older than age 48). These contribution requirements are waived if the insured has at least 180 months of contributions.

**Partial pension:** Must have at least a 66.7% assessed loss of work capacity in the usual or equivalent occupation, have at least 60 months of contributions, and not meet the contribution requirements for a full disability pension.

The disability pension ceases at the normal retirement age and is replaced by an old-age pension.

Disability pensions are not payable abroad.

**Survivor pension (social insurance):** The deceased received or was entitled to receive an old-age or disability pension, had at least 12 months of contributions in the last 24 months, or had a total of at least 180 months of contributions.

Eligible survivors include a widow(er) or cohabiting partner; children up to age 18 (age 25 if a student; no limit if disabled); and dependent parents and siblings if there are no other eligible survivors.

The survivor pension ceases upon remarriage or cohabitation.

**Survivor settlement (social insurance):** The deceased had at least 12 months of contributions. The settlement is paid to eligible survivors who do not qualify for a survivor pension (social insurance).

Eligible survivors include a widow(er) or cohabiting partner; children up to age 18 (age 25 if a student; no limit if disabled); and dependent parents and siblings if there are no other eligible survivors.

**Funeral grant (social insurance):** The deceased received or was entitled to receive a social insurance old-age pension at the time of death, or had at least three months of contributions in the last six months before death.

### Old-Age Benefits

**Old-age pension (social insurance):** The pension is the insured's average indexed monthly earnings in the last 240 months multiplied by 43% to 52.5%, depending on average monthly earnings in the last 60 months, plus 0.0835% of average indexed monthly earnings for each month of contributions exceeding 240 months. Earnings are adjusted according to changes in the consumer price index.

The minimum monthly old-age pension is 130,633 colones; if the calculated pension amount is lower, a lump sum is paid.

The maximum monthly old-age pension is 1,539,414 colones.

**Early pension:** The pension is reduced by 1.75% for each trimester the pension is claimed before the normal retirement age. The early pension is being phased out by March 2021.

The value of the early pension must be at least the minimum old-age monthly pension.

The minimum monthly old-age pension is 130,633 colones.

**Partial pension:** The benefit is calculated in the same way as the old-age pension, multiplied by the insured's number of contributions and divided by 300.

**Deferred pension:** The pension is increased by 0.133% of the insured's average monthly earnings in the last 240 months for each month the pension is deferred after the normal retirement age.

The maximum monthly deferred old-age pension is 2,178,272 colones.

**Schedule of payments:** 13 payments a year.

**Benefit adjustment:** Benefits are adjusted twice a year, in January and July, according to changes in the cost of living.

**Old-age pension (mandatory individual account):** The insured has two different options: make programmed withdrawals or purchase an annuity.

**Early withdrawals:** 100% of the account balance may be paid.

### Permanent Disability Benefits

**Disability pension (social insurance):** The pension is the insured's average indexed monthly earnings in the last 240 months (or over the entire contribution period adjusted to inflation, if shorter) multiplied by 43% to 52.5%, depending on average monthly earnings in the last 60 months, plus 0.0835% of average indexed monthly earnings for each month of contributions exceeding 240 months. Earnings are adjusted according to changes in the consumer price index.

The minimum monthly disability pension is 130,633 colones; if the calculated pension is lower, a lump sum is paid.

The maximum monthly disability pension is 1,539,414 colones.

**Partial pension:** The benefit is calculated in the same way as the disability pension, multiplied by the insured's number of contributions and divided by 240.

**Schedule of payments:** 13 payments a year.

**Benefit adjustment:** Benefits are adjusted twice a year, in January and July, according to changes in the cost of living.

### Survivor Benefits

#### Survivor pension (social insurance)

**Spouse's pension:** 50% of the old-age or disability pension the deceased received or was entitled to receive is paid if younger than age 50; 60% if aged 50 to 59; 70% if aged 60 or older or disabled.

**Orphan's pension:** 30% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible child; 60% for a full orphan.

*Other eligible survivor's pension:* If there is no widow(er) or orphan, 20% of the old-age or disability pension the deceased received or was entitled to receive is paid to each dependent parent and dependent sibling; 60% to dependents older than age 55.

The maximum combined survivor benefit is 100% of the old-age or disability pension the deceased received or was entitled to receive.

*Benefit adjustment:* Benefits are adjusted twice a year, in January and July, according to changes in the cost of living.

**Survivor settlement (social insurance):** A lump sum of 8.33% of the deceased's average monthly earnings in the last 12 months of contributions is paid, multiplied by the total months of contributions.

**Funeral grant:** A lump sum of 95,000 colones is paid for the funeral of an insured person or pensioner; 63,000 colones for a spouse or partner.

### Administrative Organization

**Social insurance:** Costa Rican Social Insurance Fund (<http://www.ccss.sa.cr/>), directed by an executive president and a nine-member board, administers the program and collects contributions.

State auditor supervises the financial operations of the fund.

**Mandatory individual account:** Superintendent of Pensions (<https://www.supen.fi.cr/>) regulates and supervises pension operators.

National Council for the Supervision of the Financial System provides regulatory oversight.

Pension operators (OPCs) manage the individual accounts.

Costa Rican Social Insurance Fund (<http://www.ccss.sa.cr/>) collects contributions.

### Sickness and Maternity

#### Regulatory Framework

**First laws:** 1941.

**Current laws:** 1943 (labor); 1961; 1973 (health); and 1993 (social insurance), implemented in 1997.

**Type of program:** Social insurance, employer-liability (cash maternity benefits only), and social assistance (medical benefits only) system.

#### Coverage

**Social insurance (cash benefits):** Employed and self-employed persons, and pensioners.

**Social insurance (medical benefits):** Residents of Costa Rica; visitors to the country may receive emergency medical care according to international agreements.

Voluntary coverage is available.

**Employer liability:** Employed persons.

Exclusions: Self-employed persons.

**Social assistance:** Needy residents of Costa Rica.

#### Source of Funds

##### Insured person

**Social insurance:** 5.5% of gross earnings. Pensioners contribute 5% of the pension.

The insured's contributions also finance the funeral grant under Old-age, Disability, and Survivors.

The minimum earnings used to calculate contributions are 293,132 colones (January 2017).

**Employer liability:** None.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 3.15% to 10.69% of declared earnings.

The minimum earnings used to calculate contributions are 231,135 colones for self-employed and voluntary insured persons with very low contributory capacity) (January 2017).

**Employer liability:** Not applicable.

**Social assistance:** None.

##### Employer

**Social insurance:** 9.25% of payroll.

**Employer liability:** The total cost.

**Social assistance:** See source of funds under Family Allowances.

##### Government

**Social insurance:** 0.25% of total covered earnings; 1.31% to 8.85% of the declared earnings for self-employed and voluntary insured persons (inversely proportional to the declared earnings); for pensioners, the Social Insurance Fund contributes 8.75% of the pension.

**Employer liability:** None, contributes as an employer.

**Social assistance:** See source of Funds under Family Allowances.

#### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have at least six months of contributions in the 12 months before the incapacity began and have contributed in the month immediately before the incapacity began.

**Cash maternity benefit (social insurance):** Must have at least three consecutive months of contributions

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immediately before the birth or six months in the 12 months before the birth.

**Cash maternity benefit (employer liability):** Must provide a medical certificate with the expected date of childbirth.

**Medical benefits (social insurance):** There is no minimum qualifying period.

**Medical benefits (social assistance, means tested):** Must be assessed as unable to pay social insurance contributions for medical benefits.

### **Sickness and Maternity Benefits**

**Sickness benefit (social insurance):** 60% of the insured's monthly earnings in the last three months is paid after a three-day waiting period for up to 52 weeks; may be extended in special cases.

**Maternity benefit (social insurance and employer liability):** 100% (split equally between the employer and Costa Rican Social Insurance Fund) of the insured's monthly earnings is paid for 30 days before and 90 days after the expected date of childbirth; 66.6% is paid by the employer if the insured person does not qualify for a social insurance benefit.

### **Workers' Medical Benefits**

**Medical benefits (social insurance):** The Social Insurance Fund normally provides medical services directly to patients. Benefits include general, specialist, and maternity care; hospitalization; medicine; dental, auditory, and limited optometry services; and appliances (at a reduced cost).

**Medical benefits (social assistance; means tested):** Benefits are the same as under the medical benefits (social insurance).

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### **Administrative Organization**

Costa Rican Social Insurance Fund (<http://www.ccss.sa.cr/>) administers the program and collects contributions.

Costa Rican Social Insurance Fund owns and operates hospitals and clinics and is gradually extending jurisdiction over other hospitals and clinics.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1925.

**Current law:** 1982 (labor code).

**Type of program:** Employer-liability system through a public carrier.

### **Coverage**

Employed persons.

Voluntary coverage for self-employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** A percentage of net monthly declared earnings for the voluntarily insured, according to type of economic activity.

**Employer:** The total cost (pays insurance premiums that vary according to the assessed degree of risk).

**Government:** None.

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

### **Temporary Disability Benefits**

60% of the insured's daily earnings is paid for the first 45 days; thereafter, 100% of the insured's daily earnings. The benefit is paid from the date the disability began for up to two years.

The minimum benefit is the legal minimum wage at the time the disability began.

The legal monthly minimum wage ranges from 293,132.67 colones to 629,395.00 colones, according to occupation.

### **Permanent Disability Benefits**

**Permanent disability pension:** For an assessed degree of disability of more than 67% (total disability), the monthly pension is 100% of the legal monthly minimum wage plus 90% of the insured's monthly earnings that exceed this amount.

The legal monthly minimum wage ranges from 293,132.67 colones to 629,395.00 colones, according to occupation.

Constant-attendance supplement: 78,275 colones a month is paid for a total permanent disability if the insured requires the constant attendance of others to perform daily tasks; 44,547 colones a month for a severe disability.

Grants may be awarded to insured persons with disabilities to purchase, rent, or modify a house.

Partial disability: For an assessed degree of disability from 50% to 67%, 67% of the insured's earnings is paid for up to 10 years; for 0.5% to 49%, the assessed degree of disability multiplied by the insured's annual earnings is paid for up to five years. The benefit may be extended for additional five-year periods on a means-tested basis.

## Workers' Medical Benefits

Benefits include medical and surgical care, hospitalization, medicine, appliances, and rehabilitation.

## Survivor Benefits

### Survivor pension

*Spouse's pension:* 40% of the deceased's average monthly earnings in the 12 months before death is paid to a widow or to a widower with a disability. The pension is paid for 10 years; may be extended for additional five-year periods in special cases.

The maximum widow(er)'s pension is 40% of the deceased's earnings; 30% if there are other eligible dependents.

*Orphan's pension:* 15% to 40% of the deceased's average monthly earnings in the 12 months before death is paid for up to three children younger than age 18 (age 25 if a student, no limit if disabled).

*Other eligible survivor's pension:* 20% of the deceased's average monthly earnings in the 12 months before death is paid to the deceased's mother (30% if there are no dependent children) for 10 years. A pension is also paid to a dependent father or other dependent adults, including those aged 60 or older and unable to work.

The maximum combined survivor benefit is 75% of the deceased's earnings.

**Funeral grant:** A lump sum of 95,000 colones plus transportation costs is paid.

## Administrative Organization

Council of Occupational Health (<http://www.cso.go.cr/>) provides general supervision.

National Insurance Institute (<http://portal.ins-cr.com/>) administers the program and collects contributions.

## Unemployment

### Regulatory Framework

Labor law requires employers to contribute 1.5% of payroll to finance a mandatory severance pay program for cases of unfair dismissal. The program pays 10 days of an employee's salary with three to six months of continuous service, 20 days with more than six months but less than one year; and one month for each year of service with at least one year of service, up to eight months.

## Family Allowances

### Regulatory Framework

**First and current law:** 1974 (family allowances and social development) and 2006 (Avancemos cash transfer).

**Type of program:** Social assistance system.

## Coverage

Needy persons and households with school-aged children.

## Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** 5% of monthly payroll finances the Family Allowance and Social Development Fund (FODESAF); certain public institutions and employers with incomes below certain thresholds are exempted from paying contributions.

FODESAF is used to fund social assistance family allowances, medical benefits under Sickness and Maternity, and certain other education, infrastructure, and social assistance programs, including the Avancemos cash transfer program.

**Government:** Subsidies as needed.

## Qualifying Conditions

**Family allowance (income tested):** Paid to persons older than age 65, persons living below the poverty line, persons with disabilities, widows aged 55 to 65, and widows younger than age 55 with dependents younger than age 18 (age 21 if a student or unemployed), and orphans younger than age 18. Must not qualify for a contributory pension.

**Income test:** Family or individual income is less than or equal to the official poverty line. The benefit is not paid if another family member receives an income-tested family allowance.

**Family cash transfer (Avancemos, means tested):** Paid for children aged 11 or older who are enrolled in secondary education and comply with the academic and program attendance requirements.

**Means test:** Households must be classified as living in extreme poverty, basic poverty, or vulnerable conditions by the Regional Associations of Social Development (ARDS).

## Family Allowance Benefits

**Family allowance (income tested):** At least 78,000 colones a month is paid.

**Schedule of payments:** 13 payments a year.

**Family cash transfer (Avancemos, means tested):** 11,000 colones to 60,000 colones a month is paid per student, according to the type of education program.

## Administrative Organization

Ministry of Labor and Social Security (<http://www.mtss.go.cr/>) provides general supervision.

Social Development and Family Allowances Fund directs the program.



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Costa Rican Social Insurance Fund (<http://www.ccss.sa.cr/>), directed by an executive president and a nine-member board, collects contributions and administers the family allowances program.

Mixed Institute for Social Assistance (<http://www.imas.go.cr/>) administers the Avancemos cash transfer program.

## Cuba

Exchange rate: US\$1.00 =  
1.00 convertible peso (CUC)<sup>1</sup>.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1963, 1964, and 1979.

**Current laws:** 2008 (social security), implemented in 2009; and 2009 (benefits).

**Type of program:** Universal, social insurance, and social assistance system.

#### Coverage

**Universal:** Residents of Cuba.

**Social insurance:** Employed persons.

Special systems for armed forces personnel, interior ministry staff, self-employed persons, certain artists, musicians, and members of agricultural and nonagricultural cooperatives.

**Social assistance:** Needy residents of Cuba.

#### Source of Funds

##### Insured person

*Universal and social assistance:* None.

*Social insurance:* 1% to 5% of earnings, according to a schedule in law.

##### Self-employed person

*Universal and social assistance:* None.

*Social insurance:* Not applicable.

##### Employer

*Universal and social assistance:* None.

*Social insurance:* 12.5% of gross payroll (public sector); 14.5% of gross payroll (private sector).

The employer's contributions also finance sickness, maternity, and work injury benefits.

##### Government

*Universal and social assistance:* The total cost.

*Social insurance:* Any deficit; contributes as an employer.

### Qualifying Conditions

**Old-age pension (social insurance):** Age 65 (men) or age 60 (women) with at least 30 years of employment; age 60 (men) or age 55 (women) if 75% of the insured's total employment history or the 15 years of employment immediately before retirement was in arduous or dangerous work.

The insured must be employed immediately before retirement or have been employed at the time the pension qualifying conditions were met.

**Partial pension:** Age 65 (men) or age 60 (women) with at least 20 years but less than 30 years of employment.

The insured must be employed immediately before retirement or have been employed at the time the pension qualifying conditions were met.

Old-age pensioners who retired with a full or partial old-age pension may re-enter the labor force and receive both a pension and a salary as long as they are employed in a position different from the one held before retirement.

**Supplement for exceptional merit:** Paid if the insured had an exceptionally distinguished career.

The old-age pension is not payable abroad.

##### Old-age benefit (social assistance, means tested):

Age 65 (men) or age 60 (women) with less than 20 years of employment. Must be incapable of work and have no family members for support.

**Disability pension (social insurance):** Must be assessed with a total physical and/or mental incapacity for usual work while currently employed or within 60 days of ceasing employment.

The Expert Medical Commission assesses the degree of disability.

**Partial disability:** Must be assessed with a diminished physical and/or mental capacity but able to work under certain conditions.

**Supplement for exceptional merit:** Paid if the insured had an exceptionally distinguished career.

**Heroic act supplement:** Paid if the illness or injury occurred while the insured was defending the country, saving lives, preventing violent acts, or protecting public property.

**Constant-attendance supplement:** Paid if the insured requires the constant attendance of others to perform daily tasks.

The disability pension is not payable abroad.

##### Disability benefit (social assistance, means tested):

Must be assessed as incapable of work and have no family members for support.

**Survivor pension (social insurance):** The deceased received or was entitled to receive an old-age or disability

<sup>1</sup> Note: Cuba has a two currency system consisting of the Cuban convertible peso (CUC) and the Cuban peso (CUP).

pension or was employed at the time of death, or had ceased employment within the six months before the death.

**Heroic act supplement:** Paid if the death occurred while the insured was defending the country, saving lives, preventing violent acts, or protecting public property.

Eligible survivors include a widow or female partner who was married to or had lived with the deceased for at least one year at the time of death, or who had children with the deceased (no restrictions if the death was due to an accident); a widower or male partner aged 65 or older or disabled; children younger than age 17 (no limit if disabled and economically dependent on the deceased or if a full orphan in higher or technical education); and dependent parents.

The survivor pension is not payable abroad.

**Survivor benefit (social assistance, means tested):** Paid to any dependent survivor who is incapable of any work.

**Funeral benefit (universal):** There is no minimum qualifying condition.

### **Old-Age Benefits**

**Old-age pension (social insurance):** 60% of the insured's average monthly earnings in the best five of the last 15 years of employment plus 2% of average monthly earnings for each year of employment exceeding 30 years is paid.

Pensioners who return to work receive 2% of the insured's new average monthly earnings for each additional year of employment since reentering the labor force.

**Partial pension:** 40% of the insured's average monthly earnings in the best five of the last 15 years of employment plus 2% of average monthly earnings for each year of employment exceeding 20 years is paid.

**Supplement for exceptional merit:** 10% to 25% of the old-age pension is paid.

The minimum monthly old-age pension is 8 CUC (200 CUP).

The maximum monthly old-age pension is 90% of the insured's average monthly earnings.

**Old-age benefit (social assistance, means tested):** A benefit may be paid periodically or as a lump sum.

**Benefit adjustment:** Benefits are adjusted by government decree according to social and economic factors.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** For a total disability, 50% of the insured's average monthly earnings in the best five of the last 15 years of employment is paid for up to 20 years of employment plus 1% of average monthly earnings for each year of employment from 20 to 30 years of work plus 2% of average monthly earnings for each year of employment exceeding 30 years.

**Supplement for exceptional merit:** 10% to 25% of the disability pension is paid.

**Heroic act supplement:** 20% of the insured's average monthly earnings in the best five of the last 15 years of employment is paid.

**Constant-attendance supplement:** 20% of the disability pension is paid.

The minimum monthly disability pension is 8 CUC (200 CUP).

The maximum monthly disability pension is 90% of the insured's average monthly earnings, including the heroic act supplement and the supplement for exceptional merit.

**Partial disability:** 60% of the insured's average salary in the year before the disability began is paid for up to one year while the insured is waiting to modify his or her job, switch jobs, or reduce working hours to adapt to the disability, or until rehabilitated. After returning to work, 50% of the difference between the insured's salary before and after the disability began is paid.

**Disability benefit (social assistance, means tested):** A benefit may be paid periodically or as a lump sum.

**Benefit adjustment:** Benefits are adjusted by government decree according to social and economic factors.

### **Survivor Benefits**

**Survivor pension (social insurance):** 100% of the deceased's earnings or the old-age or disability pension the deceased received or was entitled to receive is paid for the first month; thereafter, 70%, 85%, or 100% of the old-age or disability pension the deceased received or was entitled to receive for one, two, or three or more dependent survivors, respectively. The pension is split equally among all eligible survivors.

A nonworking widow younger than age 40 who is able to work and has no dependents may receive the pension for up to two years. A working widow may receive the survivor pension in addition to her salary.

**Heroic act supplement:** 20% of the deceased's average earnings in the best five of the last 15 years of employment is paid, up to 90%.

The minimum monthly survivor pension is 8 CUC (200 CUP).

The maximum survivor pension for a working widow is 25% of the survivor pension.

**Survivor benefit (social assistance, means tested):** A benefit may be paid periodically or as a lump sum.

**Benefit adjustment:** Benefits are adjusted by government decree according to social and economic factors.

**Funeral benefit (universal):** 100% of the burial cost is paid.

## Administrative Organization

Ministry of Labor and Social Security (<http://www.mtss.cu/>) oversees and administers the programs through the Directorate of Prevention, Assistance and Social Labor and the National Institute of Social Security (<http://www.mtss.cu/inass/>).

Municipal offices of the National Institute of Social Security (INASS) (<http://www.mtss.cu/inass/>) process applications for the social assistance program.

People's Savings Bank (<http://www.bpa.cu/>) pays pensions.

National Tax Administration Office (<http://www.onat.gob.cu/>) collects and manages contributions.

## Sickness and Maternity

### Regulatory Framework

**First laws:** 1934 (maternity benefits) and 1963 (sickness benefits).

**Current laws:** 2008 (social security), implemented in 2009; 2013 (labor code), implemented in 2014; and 2016 (maternity).

**Type of program:** Universal (medical benefits) and social insurance (cash and in-kind benefits) system.

### Coverage

**Universal:** Citizens and permanent residents of Cuba.

**Social insurance:** Employed persons.

Special systems for armed forces personnel, interior ministry staff, self-employed persons, certain artists, musicians, and members of agricultural and nonagricultural cooperatives.

### Source of Funds

#### Insured person

*Universal:* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

#### Self-employed person

*Universal:* None.

*Social insurance:* Not applicable.

#### Employer

*Universal:* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

#### Government

*Universal:* The total cost.

*Social insurance:* Any deficit; contributes as an employer.

## Qualifying Conditions

**Cash sickness benefit (social insurance):** Must present a medical certificate that validates the sickness.

Heroic act supplement: Paid if the accident occurred or illness began while defending the country, saving lives, preventing violent acts, or protecting public property

**Tuberculosis benefit (social insurance):** Must be diagnosed with tuberculosis and provide a medical certificate.

**Cash maternity benefit (social insurance):** Must be currently employed with at least 75 days of employment in the 12 months before maternity leave. Maternity leave must begin no earlier than the 34th (32nd for a multiple birth) week of pregnancy.

**Medical benefits (universal):** There is no minimum qualifying period.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 60% (50% if hospitalized) of the insured's average monthly earnings in the year prior to the date the accident occurred or illness began is paid after a three-day waiting period (if hospitalized, no waiting period) for up to six months or until a disability pension is paid; may be extended for an additional six months with a medical certificate. Medical certification is required every 30 days; a review by a medical committee is required every 26 weeks.

Heroic act supplement: 20% of the sickness benefit, is paid if the accident occurred or illness began while defending the country, saving lives, preventing violent acts, or protecting public property.

The minimum monthly sickness benefit is 50% of the legal monthly minimum wage.

The legal monthly minimum wage is 9 CUC (225 CUP).

The maximum monthly sickness benefit is 90% of the insured's average monthly earnings.

**Tuberculosis benefit (social insurance):** 100% of the insured's earnings is paid until recovery.

**Maternity benefit (social insurance):** 100% of the insured's average weekly earnings in the 12 months immediately before the leave begins is paid for six weeks (eight weeks for multiple births) before and 12 weeks after the expected date of childbirth.

The minimum monthly maternity benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 9 CUC (225 CUP).

**Maternity social benefit (social insurance):** 60% of the insured's average monthly earnings is paid beginning 12 weeks after the birth. The benefit is paid until the child is aged 12 months, and continues if the mother returns to work. If the mother dies, the benefit may be transferred to



the employed father or an employed grandparent, in which case 60% of his or her monthly earnings is paid.

**Complementary maternity leave (social insurance):**

Before the maternity leave begins, the woman is entitled to six days or 12 half days of paid leave for prenatal care. After the maternity leave ends, the mother or father is entitled to one day a month for pediatric care and one hour a day for breastfeeding.

**Workers' Medical Benefits**

Public medical centers provide free medical services. Benefits include general and specialized medical care, dental, and maternity care; medicine; hospitalization (including food and medicine); and rehabilitation. Benefits are provided until recovery.

**Administrative Organization**

Ministry of Labor and Social Security (<http://www.mtss.cu/>) oversees and administers the program through the Directorate of Prevention, Assistance, and Social Labor and the National Institute of Social Security (<http://www.mtss.cu/inass/>).

Ministry of Public Health (<http://www.sld.cu/>) oversees and administers the provision of medical benefits through the National Health System.

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**Work Injury**

**Regulatory Framework**

**First law:** 1916.

**Current law:** 2008 (social security), implemented in 2009.

**Type of program:** Social insurance (cash benefits) and universal (medical care) system.

**Coverage**

Salaried workers and members of agricultural cooperatives.

**Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

The National Health System provides universal medical services, including for work injuries (see source of funds under Sickness and Maternity).

**Qualifying Conditions**

Must be assessed with a work injury or occupational disease. Accidents while commuting to and from work are covered.

**Temporary Disability Benefits**

80% (70% if hospitalized) of the insured's average monthly earnings in the year before the date the accident occurred or occupational disease began is paid from the first day of disability for up to six months or until certification of permanent disability; may be extended for an additional six months with a medical certificate. Medical certification is required every 30 days; a review by a medical committee is required every 26 weeks.

Heroic act supplement: 20% of the temporary disability benefit is paid, up to 90% of the insured's average monthly earnings in the year prior to the date the accident occurred or occupational disease began, if the accident occurred or occupational disease began while defending the country, saving lives, preventing violent acts, or protecting public property.

The minimum monthly temporary disability benefit is 50% of the legal monthly minimum wage.

The legal monthly minimum wage is 9 CUC (225 CUP).

The maximum monthly temporary disability benefit is 90% of the insured's average monthly earnings.

**Permanent Disability Benefits**

**Permanent disability pension:** 60% of the insured's average monthly earnings in the best five of the last 15 years of employment plus 2% of average monthly earnings for each year of employment exceeding 30 years plus an additional 10% of the resulting amount is paid.

Heroic act supplement: 20% of the insured's average monthly earnings in the best five of the last 15 years of employment is paid if the accident occurred or occupational disease began while defending the country, saving lives, preventing violent acts, or protecting public property.

Constant-attendance allowance: 20% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

The minimum monthly permanent disability pension is 8 CUC (200 CUP).

The maximum monthly permanent disability pension is 90% of the insured's average monthly earnings, including the heroic act supplement.

Partial disability: 80% of the insured's income in the year before the disability began is paid for up to one year while the insured is waiting to modify his or her job, switch jobs, or reduce working hours to adapt to the disability, or until rehabilitated or assessed with a total disability. After returning to work, 60% of the difference between the

insured's income before and after the date of disability is paid.

### **Workers' Medical Benefits**

The National Health System provides free medical services. Benefits include medical, dental, and maternity care; medicine; hospitalization (including food and medicine); orthotics and hearing aids; and rehabilitation. Benefits are provided until recovery.

### **Survivor Benefits**

**Survivor pension:** 100% of earnings or the permanent disability pension the deceased received or was entitled to receive is paid for the first month; thereafter, 70%, 85%, or 100% of the permanent disability pension the deceased received or was entitled to receive for one, two, or three or more dependent survivors, respectively. The pension is split equally among all eligible dependents.

**Heroic act supplement:** 20% of the deceased's average monthly earnings in the best five of the last 15 years of employment, is paid if the death occurred while defending the country, saving lives, preventing violent acts, or protecting public property.

Eligible survivors include a widow or female partner who was married to or had lived with the deceased for at least one year at the time of death, or who had children with the deceased (no restrictions if the death was due to an accident); a widower or male partner aged 65 or older or disabled; children younger than age 17 (no limit if disabled and economically dependent on the deceased or if a full orphan in higher or technical education); and dependent parents.

The minimum monthly survivor pension is 8 CUC (200 CUP).

The maximum survivor pension for a working widow is 25% of the survivor pension.

The pension is paid for up to two years to a nonworking widow younger than age 40 who is able to work and has no dependents. A working widow may receive the survivor pension in addition to her salary.

**Benefit adjustment:** Benefits are adjusted according to government decree, based on social and economic factors.

### **Administrative Organization**

Ministry of Labor and Social Security (<http://www.mtss.cu/>) oversees and administers the program through the Directorate of Prevention, Assistance, and Social Labor and the National Institute of Social Security (<http://www.mtss.cu/inass/>).

Ministry of Public Health (<http://www.sld.cu/>) oversees and administers the provision of medical benefits through the National Health System.

### **Family Allowances**

#### **Regulatory Framework**

Dependents of young workers conscripted into military service are eligible for social security assistance. Cash benefits are available for families whose head of household is unemployed due to health, disability, or other justifiable causes, and has insufficient income for food and medicine or basic household needs.

## Dominica

Exchange rate: US\$1.00 =  
2.70 East Caribbean dollars (EC\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1970 (provident fund).

**Current laws:** 1975 (social security) and 2012 (social security regulations).

**Type of program:** Social insurance system.

#### Coverage

Employed persons, self-employed persons, and apprentices.  
Voluntary coverage is available.

#### Source of Funds

**Insured person:** 5.50% (rising to 5.75% in 2018 and 6% in 2019) of weekly covered earnings; 10.15% of covered earnings for the voluntarily insured.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are EC\$72,000.

The insured person's contributions also finance sickness and maternity benefits.

**Self-employed person:** 11.5% of covered declared net earnings.

The minimum annual earnings used to calculate contributions are EC\$7,200.

The maximum annual earnings used to calculate contributions are EC\$72,000.

The self-employed person's contributions also finance sickness and maternity benefits.

**Employer:** 6.75% of covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are EC\$72,000.

The employer's contributions also finance sickness and maternity benefits.

**Government:** None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension:** Age 63 (rising by six months each year until reaching 65 in 2021) with at least 500 weeks of paid or credited contributions, including at least 150 weeks of paid contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or temporary work injury benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received permanent total disability work injury benefits.

Early pension: Age 60 with at least 500 weeks of paid or credited contributions, including at least 150 weeks of paid contributions.

Deferred pension: The pension may be deferred indefinitely.

**Old-age grant:** Age 63 (rising by six months each year until reaching 65 in 2021) with at least 50 weeks but less than 500 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or temporary work injury benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received permanent total disability work injury benefits.

Old-age benefits are payable abroad.

**Disability pension:** Must be younger than age 60, assessed with a permanent incapacity for work, and have at least 150 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or temporary work injury benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received permanent total disability work injury benefits.

The disability pension ceases at the normal retirement age and is replaced by an old-age pension of the same value.

**Disability grant:** Must be younger than age 60, assessed with a permanent incapacity for work, and have at least 50 but less than 150 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or temporary work injury benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received permanent total disability work injury benefits.

A medical referee assesses the incapacity for work.

Disability benefits are payable abroad if the purpose of travel is to receive medical treatment.

**Survivor pension:** The deceased received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a dependent spouse; dependent children younger than age 16 (age 21 if a student, unmarried, and unemployed; no limit if disabled); and dependent parents and grandparents of pensionable age, if there is no surviving spouse or dependent child.

The survivor pension ceases upon remarriage or cohabitation.

**Survivor grant:** The deceased had at least 50 weeks of paid or credited contributions but did not qualify for an old-age or disability pension at the time of death.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or temporary work injury benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received permanent total disability work injury benefits.

Survivor benefits are payable abroad.

**Funeral grant:** The deceased received or was entitled to receive an old-age, disability, sickness, or maternity benefit. Paid when the insured, the insured's uninsured spouse, or one of the insured's dependent children younger than age 21 (if a student, unmarried, and unemployed) dies.

### **Old-Age Benefits**

**Old-age pension:** 30% of the insured's average earnings plus 1% for each 50-week period of contributions exceeding 500 weeks is paid.

Average earnings are based on the insured's best 10 years of earnings in the last 15 years.

The minimum weekly old-age pension is EC\$75.00.

The maximum monthly old-age pension is 60% of the insured's average monthly earnings.

**Early pension:** The pension is reduced by 0.5% a month for each month the pensioner is younger than the pensionable age.

**Deferred pension:** The pension increases by 6% for each complete year of deferral.

**Old-age grant:** A lump sum of three times the insured's average weekly covered earnings is paid for each 50-week period of paid or credited contributions.

Average weekly covered earnings are the total covered earnings divided by the total number of weeks of contributions.

**Benefit adjustment:** Benefits are adjusted every three years according to changes in the consumer price index.

### **Permanent Disability Benefits**

**Disability pension:** 30% of the insured's average earnings plus 1% for each 50-week period of contributions exceeding 500 weeks is paid.

Average earnings are based on the insured's best 10 years of earnings in the last 15 years or the number of years worked if less than 10.

The minimum weekly disability pension is EC\$75.00.

The maximum monthly disability pension is 60% of the insured's average monthly earnings.

**Disability grant:** A lump sum of three times the insured's average weekly covered earnings is paid for each 50-week period of paid or credited contributions.

Average weekly covered earnings are the total covered earnings divided by the total number of weeks of contributions.

**Benefit adjustment:** Benefits are adjusted every three years according to changes in the consumer price index.

### **Survivor Benefits**

#### **Survivor pension**

**Spouse's pension:** 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er). If the widow(er) was married to the deceased for less than three years or is younger than age 50, the widow(er) receives a survivor pension for one year or while caring for dependent children.

**Orphan's pension:** 25% of the old-age or disability pension the deceased received or was entitled to receive is paid for each of the first two eligible children (33% if a full orphan or disabled). If there are more than two children, the total pension amount is split equally.

**Other eligible survivor's pension:** If there is no eligible widow(er) or orphan, 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to a dependent parent or grandparent.

The maximum combined survivor benefit is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Survivor grant:** A lump sum of three times the deceased's average weekly covered earnings is paid for each 50-week period of paid or credited contributions.

Average weekly covered earnings are the insured's total covered earnings divided by the total number of weeks of contributions.

**Funeral grant:** A lump sum is paid to the person who pays for the funeral. EC\$2,600 is paid when the insured dies; EC\$2,184 for the death of an uninsured spouse; and EC\$1,092 for the death of a dependent child.

**Benefit adjustment:** Benefits are adjusted every three years according to changes in the consumer price index.



### **Administrative Organization**

Ministry of Finance (<http://finance.gov.dm/>) provides general supervision.

Dominica Social Security (<http://www.dss.dm/>), governed by the Social Security Board, administers the social insurance program.

Division of Social Welfare of the Ministry of Social Services, Family and Gender Affairs (<http://socialservices.gov.dm/index.php/divisions/social-welfare-division>) administers social assistance benefits.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First and current law:** 1975 (social security).

**Type of program:** Social insurance system. Cash benefits only.

#### **Coverage**

Employed persons, self-employed persons, and apprentices.

#### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

#### **Qualifying Conditions**

**Cash sickness benefit:** Employed persons must have at least 13 weeks of insured employment immediately before the incapacity began, including at least eight weeks of paid contributions. Self-employed persons must have at least 52 weeks of insured employment immediately before the incapacity began, including at least two quarters of paid contributions in the last three consecutive quarters. The incapacity must last at least four days.

**Cash maternity benefit:** Employed persons must have at least 30 weeks of contributions, including at least 20 weeks in the 30-week period before maternity leave began. Self-employed persons must have at least three quarters of paid contributions in the four consecutive quarters before the quarter in which maternity leave began.

**Cash maternity grant:** Paid to an insured woman or the uninsured spouse of an insured man. Employed persons must have at least 26 weeks of paid contributions in the 52-week period before the expected date of childbirth. Self-employed persons must have at least three quarters of paid

contributions in the four consecutive quarters before the expected date of childbirth.

#### **Sickness and Maternity Benefits**

**Sickness benefit:** 60% of the insured's average weekly earnings in the last 13 weeks is paid from the first day of incapacity. The benefit is paid for up to 26 weeks.

**Maternity benefit:** 60% of the insured's average weekly earnings in the last 30 weeks is paid three weeks before and nine weeks after the expected date of childbirth; in certain cases, the benefit may be paid from six weeks before and up to six weeks after the expected date of childbirth.

**Maternity grant:** A lump sum of EC\$500 is paid for each child.

#### **Workers' Medical Benefits**

No statutory benefits are provided.

Public hospitals and clinics under the Ministry of Health provide primary and secondary health care to the general population.

#### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

#### **Administrative Organization**

Ministry of Finance (<http://finance.gov.dm/>) provides general supervision.

Dominica Social Security (<http://www.dss.dm/>), governed by the Social Security Board, administers the program.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1938 (workmen's compensation).

**Current law:** 1985 (employment injury and occupational diseases).

**Type of program:** Social insurance system.

#### **Coverage**

Employed persons, including apprentices.

Exclusions: Self-employed persons.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 0.5% of gross payroll.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease. The disability must last at least four days.

### **Temporary Disability Benefits**

60% of the insured's average earnings in the last 13 weeks is paid for up to 26 weeks until the disability ends or certification of permanent disability.

### **Permanent Disability Benefits**

Up to 60% of the insured's average earnings in the last 13 weeks is paid, according to the assessed degree of disability.

Constant-attendance allowance: If the insured is assessed with a 100% disability and requires the constant attendance of others to perform daily functions, 50% of the insured's permanent disability benefit is paid. The allowance is suspended if the insured is hospitalized.

If the assessed degree of disability is less than 30%, a lump sum is paid.

A medical referee assesses the incapacity for work.

### **Workers' Medical Benefits**

Medical expenses of up to EC\$6,000 are reimbursed for local and overseas treatment of work injuries and occupational diseases.

### **Survivor Benefits**

#### **Survivor pension**

*Spouse's pension:* 50% of the permanent disability benefit the deceased received or was entitled to receive is paid to a dependent widow(er).

The survivor pension ceases upon remarriage or cohabitation.

*Orphan's pension:* 25% of the permanent disability benefit the deceased received or was entitled to receive (33% if a full orphan or disabled) is paid for each of the first two dependent children younger than age 16 (age 21 if a student, unmarried, and unemployed; no limit if disabled). If there are more than two orphans, the total pension amount is split equally.

The minimum monthly orphan's pension is EC\$50.

*Other eligible survivor's pension:* If there is no eligible widow(er) or orphan, 50% of the permanent disability

benefit the deceased received or was entitled to receive is paid to a dependent parent or grandparent.

The maximum combined survivor benefit is 100% of the permanent disability benefit the deceased received or was entitled to receive.

**Funeral grant:** A lump sum is paid to the person who pays for the funeral. EC\$2,600 is paid when the insured dies; EC\$2,184 when the dependent spouse of an insured person receiving permanent disability benefits dies; and EC\$1,092 when a dependent child, of an insured person receiving permanent disability benefits, younger than age 18 dies, if unmarried and unemployed.

### **Administrative Organization**

Ministry of Finance (<http://finance.gov.dm/>) provides general supervision.

Dominica Social Security (<http://www.dss.dm/>), governed by the Social Security Board, administers the social insurance program.

### **Unemployment**

#### **Regulatory Framework**

The Protection of Employment Act (1984) requires employers to provide severance pay in cases of redundancy for employees with at least three years of continuous service. The benefit amount varies according to the length of service: with up to five years, one week of the employee's pay for each year of service plus two weeks of pay for each year of service exceeding three years; with more than five but less than 10 years of service, nine weeks of pay plus two weeks for each year of service exceeding five years; with more than 10 years of service, 19 weeks of pay plus three weeks for each year of service exceeding 10 years (up to a maximum of 52 weeks of pay).

#### **Family Allowances**

##### **Regulatory Framework**

No known statutory benefits are provided.

The public assistance program provides cash benefits of EC\$150 a month to needy adults and EC\$127.50 a month to needy children, up to a maximum of EC\$375 per family.

## Dominican Republic

Exchange rate: US\$1.00 = 47.38 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1947.

**Current laws:** 2001 (social security), implemented in 2002; 2005 (contribution exemptions); 2007 (financing and investments); 2007 (settlement of arrears); and 2009 (amnesty for nonpayment of employer contributions).

**Type of program:** Mandatory individual account system.

Note: The pay-as-you-go social insurance system for private-sector workers was closed to new entrants in 2003 and is being phased out. It covers private-sector workers aged 45 or older in 2003 who chose to remain in the social insurance system and private-sector pensioners who began receiving their pensions before June 2003. Public-sector workers who opted not to join the individual account system remain in the separate social insurance system for public-sector workers.

Subsidized individual accounts for self-employed persons and other vulnerable groups have not yet been implemented.

The 2001 social security law introduced a social assistance old-age, disability, and survivor pension, which has not yet been implemented.

#### Coverage

Private-sector workers aged 45 or younger in 2003.

Voluntary coverage for Dominican citizens living abroad, public-sector workers, and private-sector workers older than age 45 in 2003.

Exclusions: Self-employed persons.

#### Source of Funds

**Insured person:** 2.87% of monthly covered earnings.

Of the total insured person and employer contributions (9.97%), 8.0% is allocated to the individual account, 1% to disability and survivor insurance, 0.5% to administrative fees, 0.4% to the solidarity fund, and 0.07% to the Superintendent of Pensions' operating costs.

The minimum monthly earnings used to calculate contributions are the minimum monthly covered salary.

The maximum monthly earnings used to calculate contributions are 20 times the minimum monthly covered salary.

The minimum monthly covered salary is 11,137 pesos.

**Self-employed person:** Not applicable.

**Employer:** 7.1% of monthly covered payroll.

Of the total insured person and employer contributions (9.97%), 8.0% is allocated to the individual account, 1% to disability and survivor insurance, 0.5% to administrative fees, 0.4% to the solidarity fund, and 0.07% to the Superintendent of Pensions' operating costs.

The minimum monthly earnings used to calculate contributions are the minimum monthly covered salary.

The maximum monthly earnings used to calculate contributions are 20 times the minimum monthly covered salary.

The minimum monthly covered salary is 11,137 pesos.

**Government:** Partially finances the guaranteed minimum pension; finances the value of accrued rights for those who made contributions under the social insurance system.

#### Qualifying Conditions

**Old-age pension:** Age 60 with at least 30 years of contributions.

All gainful activity must cease.

Early pension: Age 55 if the individual account balance is sufficient to finance a pension equal to 150% of the minimum monthly old-age pension.

Unemployed worker's old-age pension: Aged 57 to 59, unemployed, and with at least 25 years of contributions (with less than 25 years, the insured can receive a pension based on the accumulated funds or continue contributing to reach 25 years).

Guaranteed minimum pension (Solidarity Fund): Age 65 with at least 25 years of contributions, and the individual account balance is insufficient to finance the minimum monthly old-age pension set by law.

The minimum monthly old-age pension is the lowest legal monthly minimum wage for private-sector workers.

The lowest legal monthly minimum wage for private-sector workers is 9,411.60 pesos (November 2017).

The old-age pension is not payable abroad.

**Disability pension:** Must have at least a 66.7% loss of earnings capacity as a result of a chronic illness or non-work-related injury and have exhausted sickness benefits.

Partial disability: Must have a loss of earnings capacity of greater than 50% but less than 66.7%.

A regional medical committee assesses the degree of disability. The national medical committee may revise, validate, or reject the decision of a regional medical committee.

The disability pension is payable abroad.

**Survivor pension:** The deceased received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a widow(er) or partner and unmarried children younger than age 18 (age 21 if a full-time student, no limit if disabled).

The survivor pension is payable abroad.

### **Old-Age Benefits**

**Old-age pension:** The insured has two different payment options: a price-indexed annuity or programmed withdrawals. (The value of accrued rights under the social insurance system is combined with the individual account balance at retirement.)

**Early pension:** The insured has two different payment options: a price-indexed annuity or programmed withdrawals. (The value of accrued rights under the social insurance system is combined with the individual account balance at retirement.)

**Unemployed workers' old-age pension:** Calculated in the same way as the old-age pension.

**Guaranteed minimum pension (Solidarity Fund):** The difference between the individual account balance and the minimum monthly old-age pension set by law is paid.

The minimum monthly old-age pension is the lowest legal monthly minimum wage (private-sector workers) or the legal monthly minimum wage (public-sector workers).

The lowest legal monthly minimum wage for private-sector workers is 9,411.60 pesos (November 2017); the legal monthly minimum wage for public-sector workers is 5,117.50 pesos.

**Benefit adjustment:** Benefits are adjusted according to changes in the legal monthly minimum wage for public- and private-sector workers.

### **Permanent Disability Benefits**

**Disability pension:** 60% of the insured's average indexed earnings in the three years immediately before the disability began is paid. The disability pension is financed by disability insurance until retirement or death. The insurance company also pays a monthly contribution to the insured's individual account until retirement or death.

The disability pension ceases at the normal retirement age when the insured may access the individual account balance to purchase a price-indexed annuity or make programmed withdrawals.

**Partial disability:** 30% of the insured's average indexed earnings in the three years immediately before the disability began is paid.

There is no minimum or maximum disability pension.

**Benefit adjustment:** Benefits are adjusted according to changes in the consumer price index.

### **Survivor Benefits**

**Survivor pension:** 60% of the deceased's average monthly indexed earnings in the last three years is paid. (Life insurance tops up the accumulated capital in the deceased's individual account if the balance is less than the required minimum to finance the survivor pension.)

The pension is paid for life to a spouse or partner older than age 55; for six years to a spouse or partner aged 50 to 55; or for five years to a spouse or partner younger than age 50.

If there are orphans, 50% of the survivor pension is paid to the spouse or partner and 50% is split among eligible orphans.

There is no minimum or maximum survivor pension.

**Benefit adjustment:** Benefits are adjusted according to changes in the consumer price index.

### **Administrative Organization**

National Social Security Board (CNSS, <http://www.cnss.gob.do/>) provides overall governance of the social security system.

Superintendent of Pensions (SIPEN, <http://www.sipen.gob.do/>) provides general supervision and fiscal control.

Individual pension fund management companies administer the individual accounts and contract with insurance companies for disability and survivors insurance.

Treasury of Social Security (<http://www.tss.gov.do/>) collects contributions.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1947.

**Current laws:** 1948 (social insurance), implemented in 1949; and 2001 (social security), implemented in 2007.

**Type of program:** Social insurance and social assistance (medical benefits only) system.

#### **Coverage**

**Social insurance:** Employed persons and their spouses or partners, the insured's children up to age 18 (age 21 if a full-time student, no limit if disabled), and pensioners. Children older than age 21 and parents who are economically dependent on the insured may be covered.

Persons who are unemployed, needy, or disabled are covered for medical benefits only under a subsidized program.

**Exclusions:** Self-employed persons.

**Social assistance:** Needy citizens and residents of the Dominican Republic.



## Source of Funds

### Insured person

*Social insurance:* 3.04% of covered earnings.

The minimum monthly earnings used to calculate contributions are the minimum monthly covered salary.

The maximum monthly earnings used to calculate contributions are 10 times the minimum monthly covered salary.

The minimum monthly covered salary is 11,137 pesos.

*Social assistance:* None.

### Self-employed person

*Social insurance:* Not applicable.

*Social assistance:* None.

### Employer

*Social insurance:* 7.09% of covered payroll.

The minimum monthly earnings used to calculate contributions are the minimum monthly covered salary.

The maximum monthly earnings used to calculate contributions are 10 times the minimum monthly covered salary.

The minimum monthly covered salary is 11,137 pesos.

*Social assistance:* None.

### Government

*Social insurance:* None.

*Social assistance:* The total cost.

## Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have at least 12 months of contributions or be a pensioner.

**Cash maternity benefit (social insurance):** Must have at least eight months of contributions in the 12 months before childbirth and must not work during the period in which the benefit is paid.

**Nursing allowance (social insurance):** Must have a salary of up to three times the legal monthly minimum wage.

The legal monthly minimum wage for private-sector workers ranges from 9,411.60 pesos to 15,447.60 pesos, depending on the type and size of business (November 2017); the legal monthly minimum wage for public-sector workers is 5,117.50 pesos.

**Medical benefits (social insurance):** Must be in covered employment for at least 30 days, except in case of an emergency and for child delivery.

**Medical benefits (social assistance, means tested):** Paid to unemployed persons and their families, disabled persons, indigent persons and their families, single mothers, and

persons older than age 60 with an income below the legal monthly minimum wage.

**Means test:** Must be classified as poor and vulnerable according to SIUBEN.

SIUBEN is a national registry used to target needy families according to a quality of life index.

## Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 60% of the insured's earnings in the last six months (40% if hospitalized) is paid after a three-day waiting period, for up to 26 weeks.

**Maternity benefit (social insurance):** Three months of the insured's earnings is paid for 14 weeks, including seven weeks before and seven weeks after the expected date of childbirth.

**Nursing allowance (social insurance):** A percentage of the insured's monthly covered earnings is paid for up to 14 months after the child's birth: 33% with monthly earnings up to the legal monthly minimum wage; 12% with monthly earnings greater than one and up to two times the legal monthly minimum wage; and 6% for monthly earnings greater than two and up to three times the legal monthly minimum wage. In the case of multiple births, the allowance is paid for each child.

The legal monthly minimum wage for private-sector workers ranges from 9,411.60 pesos to 15,447.60 pesos, depending on the type and size of the business (November 2017); the legal monthly minimum wage for public-sector workers is 5,117.50 pesos.

## Workers' Medical Benefits

**Medical benefits (basic health plan, social insurance and social assistance):** Benefits include preventive, inpatient, outpatient, maternity, pediatric, emergency, surgery, and specialist care; medicine; and prostheses for persons with disabilities, according to a schedule in law.

**Cost sharing:** Prescription drugs are free for social assistance beneficiaries; beneficiaries insured under the mandatory individual account system (See Old Age, Disability, and Survivors) pay 30% of the cost.

## Dependents' Medical Benefits

**Medical benefits for dependents (basic health plan, social insurance and social assistance):** Medical benefits for dependents are the same as those for the insured. In-patient services for children are provided from the 45th day after birth until age 5. Benefits include nutrition, general care, and child development programs.

## Administrative Organization

National Social Security Board (CNSS) (<http://www.cnss.gob.do/>) provides overall governance of the social security system.

Treasury of Social Security (<http://www.tss.gov.do/>) collects contributions.

Directorate of Information and Protection of the Affiliates (DIDA) (<http://dida.gob.do/>) is protecting customer information.

Superintendent of Health and Labor Risks (<http://www.sisalril.gov.do/>) supervises the Health Risk Management Companies (ARS).

Individual pension fund management companies administer the individual accounts.

Health Risk Management Companies (ARS) administer the basic health plan and may be private, public, or mixed entities.

National Health Insurance (SENASA) administers the social assistance program.

## Work Injury

### Regulatory Framework

**First law:** 1932.

**Current law:** 2001 (social security), implemented in 2003.

**Type of program:** Social insurance system.

### Coverage

Legal residents working for companies with more than three employees and public-sector employees.

Exclusions: Self-employed persons.

### Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost is financed through contributions that vary according to the assessed degree of risk. The average contribution is 1.2% of covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are four times the minimum monthly covered salary.

The minimum monthly covered salary is 11,137 pesos.

**Government:** None; contributes as an employer.

### Qualifying Conditions

Must be assessed with a work injury or occupational disease.

## Temporary Disability Benefits

75% of the insured's base salary is paid after a three-day period of sick leave (paid by the employer), for up to 52 weeks. The disability is reassessed 30 days before the benefit expires to determine if the disability is permanent.

The base salary is the insured's average covered daily earnings in the six months before the injury occurred or occupational disease began. If the insured has less than six months of covered earnings, the base salary is 50% of the insured's total covered earnings.

## Permanent Disability Benefits

**Permanent disability pension:** 100% of the insured's base salary is paid for a severe total disability (a 100% assessed degree of disability, totally disabled, and in need of constant attendance); 70% for a permanent total disability (at least a 67% assessed degree of disability and unable to perform any occupation); 50% for a permanent total disability for usual occupation (a 50% to 66% assessed degree of disability and unable to perform usual occupation); and a lump sum of five to 10 times the base salary for a permanent partial disability for the current occupation (a 15% to 49% assessed degree of disability and at least a 50% loss of earning capacity).

The base salary is the insured's average covered earnings in the six months before the injury occurred or occupational disease began. If the insured has less than six months of covered earnings, the base salary is 50% of the insured's total covered earnings.

## Workers' Medical Benefits

Benefits include preventive, inpatient, outpatient, pediatric, emergency, surgery, and specialist care; medicine; rehabilitation; and prostheses for persons with disabilities, according to a schedule in law.

## Survivor Benefits

### Survivor pension

**Spouse's pension:** 50% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow(er) or partner aged 45 or older or disabled.

The pension ceases upon remarriage and a lump sum of two years of the pension is paid.

A lump sum of two years of the pension is paid to a widow(er) younger than age 45.

**Orphan's pension:** 20% of the permanent disability pension the deceased received or was entitled to receive is paid to each child younger than age 18 (age 21 if a full-time student, no limit if disabled).

### **Administrative Organization**

National Social Security Board (CNSS) (<http://www.cnss.gob.do/>) provides overall governance of the social security system.

Superintendent of Health and Labor Risks (SISALRIL) (<http://www.sisalril.gov.do/>) supervises Labor Risk Management Funds.

Labor Risk Management Funds (<http://www.arlss.gov.do/>) administer the work injury program.

### **Unemployment**

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#### **Regulatory Framework**

The 1993 labor code regulates severance pay for employees with at least three months of continuous employment. A lump sum of six days of the employee's salary is paid with at least three but less than six months of continuous employment; 13 days of salary with at least six but less than 12 months; 21 days of salary per year of service with at least one but less than five years; and 23 days of salary per year of service with at least five years.

#### **Family Allowances**

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##### **Regulatory Framework**

**First and current laws:** 2001 (social security), 2005 (conditional cash transfer), 2012 (conditional cash transfer consolidation), and 2013 (social assistance pensions regulations).

**Type of program:** Social assistance system.

##### **Coverage**

**Single mother's pension (income tested):** Needy single mothers.

**Solidarity cash transfer (Progresando con Solidaridad, means tested):** Needy families.

##### **Source of Funds**

**Insured person:** None.

**Self-employed persons:** None.

**Employer:** None.

**Government:** The total cost.

##### **Qualifying Conditions**

**Single mother's pension (income tested):** Must be unemployed or have irregular income, and not be economically dependent on a person insured under the contributory social security system. Children must be younger than age 18 and attending school.

**Income test:** Must have an income below the legal monthly minimum wage.

The legal monthly minimum wage for private-sector workers ranges from 9,411.60 pesos to 15,447.60 pesos, depending on the type and size of business (November 2017); the legal monthly minimum wage for public-sector workers is 5,117.50 pesos.

**Solidarity cash transfer (Progresando con Solidaridad, means tested):** Paid to families that meet a series of requirements related to health, education, nutrition, civic responsibility, information and communication technology (ICT) literacy, and housing. For example, children must have a birth certificate and adults must have a national identity card; women aged 35 or older and men aged 40 or older must undergo annual medical examinations and be given information about reproductive and preventive health; illiterate adults and youths must learn to read; children must be enrolled in and pass each grade in primary and secondary school and not work; families must attend training activities on inclusion, violence prevention, ICT use, among others; and housing conditions must meet certain basic standards.

**Means test:** Must be classified as moderately or extremely poor according to SIUBEN.

SIUBEN is a national registry used to target needy families according to a quality of life index.

##### **Family Allowance Benefits**

**Single mother's pension (income tested):** 60% of the legal monthly minimum wage for public-sector workers (plus a Christmas bonus) is paid.

The legal monthly minimum wage for public-sector workers is 5,117.50 pesos.

**Benefit adjustment:** Benefits are adjusted according to changes in the consumer price index.

**Solidarity cash transfer (Progresando con Solidaridad, means tested):** 825 pesos a month is paid to the head of household for nutritional support; 150 pesos a month for each child aged 6 to 16 enrolled in the first to eighth years of basic education; 500 pesos a month for each child up to age 21 enrolled in the first or second year of secondary education; 750 pesos a month for each child up to age 21 enrolled in the third or fourth year of secondary education; 1,000 pesos a month for each child up to age 21 enrolled in technical education; and 500 pesos a month to university students.

##### **Administrative Organization**

###### **Single mother's pension**

National Social Security Board (CNSS, <http://www.cnss.gob.do/>) provides overall governance of the social security system.

Superintendent of Pensions (SIPEN, <http://www.sipen.gov.do/>) provides general supervision and fiscal control.

Provinces and municipalities administer the pensions under the supervision of CNSS and SIPEN.

**Solidarity cash transfer**

Cabinet for the Coordination of Social Policy, under the Vice Presidency, provides general oversight.

Progresando con Solidaridad (<http://progresandoconsolidaridad.gob.do/>) program office administers the solidarity cash transfer program.

Administrator of Social Subsidies (ADESS, <http://www.adess.gov.do/>) pays benefits.



## Ecuador

Exchange rate: Currency is the US dollar (US\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1928.

**Current laws:** 2001 (social security), 2006 (social pensions), 2010 (disability attendance grant), 2012 (general law on disabilities), and 2013 (social pensions increment).

**Type of program:** Social insurance and social assistance system.

Note: The provision under the 2001 law to create a system of individual accounts to complement the social insurance old-age pension program has not been implemented.

#### Coverage

**Social insurance:** Employed and self-employed persons.

Voluntary coverage for persons without mandatory coverage, including Ecuadorian citizens living abroad.

Special systems for agricultural workers and small-scale fishermen and for unpaid home-based workers.

**Social assistance:** Needy citizens of Ecuador.

#### Source of Funds

##### Insured person

**Social insurance:** 6.64% (most public- and private-sector employees) or 8.64% (employees of subnational public institutions and bank employees) of gross earnings, plus 0.1% (special disability pension). The voluntarily insured pay 6.8% of gross earnings, plus 0.1% (special disability pension).

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 6.8% of gross declared earnings, plus 0.1% (special disability pension).

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Social assistance:** None.

#### Employer

**Social insurance:** 0.16% of gross payroll.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Social assistance:** None.

#### Government

**Social insurance:** 40% of the cost of old-age, disability, and survivor pensions; contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** At any age with at least 480 months of contributions; age 60 with at least 360 months of contributions; age 65 with at least 180 months of contributions; or age 70 with at least 120 months of contributions.

**Old-age pension (social assistance, income tested):** Age 65 and not receiving or entitled to receive any social insurance benefit.

Income test: Families must have income in the bottom 40% of all household incomes according to the SIIRS.

The SIIRS is a national registry used to target needy families.

**Disability pension (social insurance):** Must have at least a 50% assessed loss of earning capacity and at least 60 months of contributions, including in the six months before the disability began; at least 120 months of contributions and not receiving an old-age pension if the disability began within two years after the termination of employment.

**Special disability pension (social insurance):** Must have at least a 40% (physical disability) or 20% (mental disability) assessed loss of earning capacity and at least 300 (physical disability) or 240 (mental disability) months of contributions; no contribution requirements for a total (100%) or absolute disability.

**Disability pension (social assistance, income tested):** Must have at least a 40% assessed loss of earning capacity and not be receiving or entitled to receive any social insurance benefit.

Income test: Families must have income in the bottom 40% of all household incomes according to the SIIRS.

The SIIRS is a national registry used to target needy families.

**Caregiver allowance (Bono Joaquín Gallegos Lara, social assistance, income tested):** Paid to the primary caregiver of a person with at least a 75% (physical disability) or 65% (mental disability) assessed degree of disability,

suffering from a rare or catastrophic disease, or diagnosed with HIV/AIDS and younger than age 14.

Income test: Families must have no more than 50 points in the SIIRS; no income test if diagnosed with HIV/AIDS and younger than age 14.

The SIIRS is a national registry used to target needy families.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension or had at least 60 months of contributions at the time of death.

Eligible survivors include a widow or a dependent, disabled widower; a female or dependent, disabled male partner who cohabitated with the deceased for at least two years before the death or had children with the deceased; dependent children younger than age 18 (no limit if disabled); and, if there are no other survivors, a dependent mother and a dependent, disabled father.

The widow(er)'s pension ceases upon remarriage or cohabitation.

**Funeral grant (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension or had at least six months of contributions in the last 12 months at the time of death.

### Old-Age Benefits

**Old-age pension (social insurance):** A percentage of the insured's average monthly earnings in the five best years of earnings is paid, according to the total number of years of contributions (50% for 10 years, 75% for 30 years, 81.25% for 35 years, and 100% for 40 years). The pension is increased by 1.25% for each year of contributions exceeding 40 years.

The minimum monthly old-age pension is \$187.50.

The maximum monthly old-age pension is \$2,062.50.

Old-age pensioners may return to work and receive a pension. During the first year of receiving the pension, the pensioner must work for a different employer than the employer who certified the pension claim.

Schedule of payments: 12 monthly payments plus two bonus payments a year.

Benefit adjustment: Benefits are adjusted annually. Adjustments range from 4.31% to 16.16% and are inversely proportional to the amount of benefit.

**Old-age pension (social assistance, income tested):** \$50 a month is paid.

### Permanent Disability Benefits

**Disability pension (social insurance):** A percentage of the insured's average monthly earnings in the five best years of earnings is paid, according to the total number

of years of contributions (43.75% for five years, 50% for 10 years, 62.5% for 20 years, 68.75% for 25 years, and 75% for 30 years).

The minimum monthly disability pension is \$187.50.

The maximum monthly disability pension is \$2,062.50.

Schedule of payments: 12 monthly payments plus two bonus payments a year.

**Special disability pension (social insurance):** 66.25% of the insured's average monthly earnings in the best five years of earnings is paid.

The minimum monthly special disability pension is \$187.50.

The maximum monthly special disability pension is \$2,062.50.

Schedule of payments: 12 monthly payments plus two bonus payments a year.

Benefit adjustment: Benefits are adjusted annually. Adjustments range from 4.31% to 16.16% and are inversely proportional to the amount of benefit.

**Disability pension (social assistance, income tested):** \$50 a month is paid.

**Caregiver allowance (Bono Joaquín Gallegos Lara, social assistance, income tested):** \$240 a month is paid.

### Survivor Benefits

#### Survivor pension (social insurance)

*Spouse's pension:* 60% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er) or partner (September 2017).

*Orphan's pension:* 40% of the social insurance old-age or disability pension the deceased received or was entitled to receive is split equally among eligible children (September 2017).

*Other dependent's pension:* In the absence of an eligible widow(er) or partner, 40% of the social insurance old-age or disability pension the deceased received or was entitled to receive is split equally among eligible dependent parents (September 2017).

The minimum monthly combined survivor pension is \$187.50.

The maximum monthly combined survivor pension is \$1,687.50.

Benefit adjustment: Benefits are adjusted annually by 1.12%.

**Funeral grant (social insurance):** A lump sum of up to \$1,354.07 is paid.

### **Administrative Organization**

Social Security Institute (<https://www.iess.gob.ec/>), through its Directive Council, regulates, administers, and collects contributions to the social insurance program.

Ministry of Social and Economic Inclusion (<http://www.inclusion.gob.ec/>) administers the old-age and disability social assistance pensions as part of the Bono de Desarrollo Humano program (see Family Allowances) and pays the Joaquin Gallegos Lara attendance grant.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1935.

**Current law:** 2001 (social security).

**Type of program:** Social insurance and employer-liability system.

#### **Coverage**

**Social insurance:** Persons receiving income for work and beneficiaries of old-age, disability, work injury, or survivor benefits.

Voluntary coverage for persons not subject to mandatory coverage.

Special systems for agricultural workers and small-scale fishermen.

**Employer liability:** Employed persons.

Exclusions: Self-employed persons.

#### **Source of Funds**

##### **Insured person**

**Social insurance:** None for private-sector employees, employees of subnational public institutions, and social security beneficiaries; 2% of gross earnings for other public-sector employees; 9% of gross earnings for the voluntarily insured.

Insured persons may insure their spouse with an additional contribution of 3.41% of gross earnings.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Employer liability:** None.

##### **Self-employed person**

**Social insurance:** 9% of gross declared earnings.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Employer liability:** Not applicable.

##### **Employer**

**Social insurance:** 9% of payroll for private-sector employees and employees of subnational public institutions; 7% for other public-sector employees.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Employer liability:** The total cost.

##### **Government**

**Social insurance:** The total cost for old-age, disability, and work injury beneficiaries.

**Employer liability:** None.

#### **Qualifying Conditions**

**Cash sickness benefit (social insurance):** Must have at least six months of contributions before the incapacity began or at least 189 days of contributions in the eight months before the incapacity began. Coverage continues for 60 days after the insured ceases to pay contributions.

**Cash maternity benefit (social insurance and employer liability):** Must have at least 12 months of contributions before giving birth. Prenatal care is provided with at least three months of contributions.

**Medical benefits (social insurance):** Must have at least three months of continuous contributions. Coverage continues for 60 days after the insured ceases to pay contributions.

#### **Sickness and Maternity Benefits**

**Sickness benefit (social insurance):** 75% of the insured's earnings used to calculate contributions in the three months before the incapacity began is paid for up to 70 days after a three-day waiting period (the employer pays 50% of the insured's earnings during the first three days of incapacity); thereafter, 66% is paid for up to 112 days.

**Maternity benefit (social insurance and employer liability):** 100% of the insured's last earnings used to calculate contributions is paid for two weeks before and 10 weeks after the expected date of childbirth; 75% of the benefit is paid by the Social Security Institute and 25% by the employer. The benefit is paid for an additional 10 days for multiple births.

## Workers' Medical Benefits

Medical facilities of the Social Security Institute provide medical services directly to patients. Benefits include general and specialist care, surgery, hospitalization, medicine, laboratory services, and dental care. A refund for the cost of medical care provided through external health service providers is available.

## Dependents' Medical Benefits

Full medical care is provided for the insured's children up to age 18 and beneficiaries of the orphan's pension.

## Administrative Organization

Social Security Institute (<https://www.iess.gob.ec/>), through its Directive Council, regulates, administers, and collects contributions to the program and operates its own clinics, dispensaries, and hospitals.

## Work Injury

### Regulatory Framework

**First law:** 1964.

**Current law:** 2001 (social security).

**Type of program:** Social insurance system.

### Coverage

Persons receiving income for work.

Voluntary coverage for persons without mandatory coverage.

Exclusions: Ecuadorians citizens residing abroad.

### Source of Funds

**Insured person:** None; 0.2% of gross earnings for the voluntarily insured.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Self-employed person:** 0.2% of gross declared earnings.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Employer:** 0.2% of payroll.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

**Government:** 40% of the cost of work injury pensions.

## Qualifying Conditions

Must be assessed with a work injury or occupational disease. Must have at least six months of contributions for a disability resulting from an occupational disease.

## Temporary Disability Benefits

75% of the insured's average earnings in the three months before the disability began is paid after a two-day waiting period for up to 70 days; thereafter, 66% until the end of the 12th month. If the disability lasts more than one year, 80% is paid for up to one additional year.

## Permanent Disability Benefits

**Permanent disability pension:** 80% of the insured's average earnings (100% if the insured requires the constant attendance of others to perform daily functions) in the last year or in the previous five years, whichever is greater, is paid.

Partial disability: A percentage of the full pension is paid according to the assessed degree of disability.

Schedule of payments: 12 monthly payments plus two bonus payments a year.

Benefit adjustment: Benefits are adjusted annually. Adjustments range from 4.31% to 16.16% and are inversely proportional to the amount of benefit.

## Workers' Medical Benefits

Benefits include medical and surgical care, hospitalization, appliances, and rehabilitation.

## Survivor Benefits

### Survivor pension

**Spouse's pension:** 60% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow or a dependent, disabled widower, or to a female or dependent, disabled male partner who cohabitated with the deceased.

**Orphan's pension:** 40% of the permanent disability pension the deceased received or was entitled to receive is split equally among dependent children younger than age 18 (no limit if disabled).

**Other dependent's pension:** If there is no eligible widow(er) or partner, 40% of the permanent disability pension the deceased received or was entitled to receive is split equally among eligible dependent parents.

The minimum monthly combined survivor pension is \$187.50.

The maximum monthly combined survivor pension is \$1,687.50.

**Funeral grant:** A lump sum of up to \$1,354.07 is paid.



## Administrative Organization

Social Security Institute (<https://www.iess.gov.ec/>), through its Directive Council, regulates, administers, and collects contributions to the program.

## Unemployment

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### Regulatory Framework

**First law:** 1951.

**Current laws:** 2001 (social security) and 2016 (unemployment benefit).

**Type of program:** Social insurance and mandatory individual account system.

Note: In 2016, a new unemployment benefit was introduced that is partially financed through funds that were previously accumulated in the individual account.

### Coverage

**Social insurance:** Employed persons.

Exclusions: Self-employed persons.

**Mandatory individual account:** Employed persons.

Exclusions: Self-employed persons.

### Source of Funds

#### Insured person

*Social insurance:* None.

*Mandatory individual account:* 2% of gross earnings.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

#### Self-employed person

*Social insurance:* Not applicable.

*Mandatory individual account:* Not applicable.

#### Employer

*Social insurance:* 1% of gross payroll.

The minimum monthly earnings used to calculate contributions are \$375.

There are no maximum earnings used to calculate contributions.

*Mandatory individual account:* None.

#### Government

*Social insurance:* None.

*Mandatory individual account:* Provides subsidies in special cases.

## Qualifying Conditions

**Unemployment benefit (social insurance and mandatory individual account):** Must have at least 24 months of contributions, including six continuous months of contributions immediately before unemployment began, and two months of involuntary unemployment.

**Severance benefit (mandatory individual account):** Must have at least 24 months of contributions. The benefit is paid after two months of unemployment.

## Unemployment Benefits

**Unemployment benefit (social insurance and mandatory individual account):** Up to 70% of the insured's average monthly earnings in the 12 months before unemployment is paid in the first month; 65% in the second month; 60% in the third month; 55% in the fourth month; and 50% in the fifth month. The benefit is paid for a maximum of five months.

After the fifth month, the insured may withdraw the total account balance in the individual account.

A solidarity fund pays part of the monthly benefit, and the individual account funds the remainder.

**Severance benefit (mandatory individual account):**

A lump sum of the account balance is paid if the insured becomes unemployed or starts receiving an old-age, permanent disability, or permanent work injury pension; if the insured person dies, the benefit is paid to a widow, a disabled widower, children younger than age 18, or, if there is no surviving spouse or child, certain other surviving relatives.

## Administrative Organization

Social Security Institute (<https://www.iess.gov.ec/>) collects contributions and administers the programs.

## Family Allowances

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### Regulatory Framework

**First law:** 1998 (Bono Solidario).

**Current laws:** 2003 (conditional cash transfer) and 2013 (conditional cash transfer increment).

**Type of program:** Social assistance system.

### Coverage

Needy citizens of Ecuador.

### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

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**Government:** The total cost.

### **Qualifying Conditions**

**Family cash transfer (Bono de Desarrollo Humano, social assistance, income tested):** Paid for children younger than age 5 and pregnant women who attend regular medical visits; children aged 5 to 18 must be enrolled in and regularly attend school. Parents must receive training in early childhood development.

Income test: Families must have income in the bottom 40% of all household incomes according to the SIIRS.

The SIIRS is a national registry used to target needy families.

### **Family Allowance Benefits**

**Family cash transfer (Bono de Desarrollo Humano, social assistance, income tested):** \$50 a month is paid to the mother.

### **Administrative Organization**

Ministry of Social and Economic Inclusion (<http://www.inclusion.gob.ec/>) administers the program.

## El Salvador

Exchange rate: Currency is the US dollar (US\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1953 and 1969.

**Current laws:** 1996 (individual account), implemented in 1998; 1996 (pension supervision), implemented in 1998; 2009 (social assistance pension); and 2014 (social protection).

**Type of program:** Mandatory individual account and social assistance system.

Note: Insured persons who were older than age 55 (men) or age 50 (women) in 1998 and workers older than age 36 in 1998 who did not opt for the individual account system are covered under the old pay-as-you-go social insurance system. The government subsidizes and finances an indexed bond for account holders who made contributions to the old social insurance system. The bond is the insured's contributions to the old social insurance system plus interest.

In June 2017, the universal basic old-age pension (social assistance) was terminated for new beneficiaries; current beneficiaries will continue to receive benefits.

In September 2017, a new Solidarity Guarantee Fund (Cuenta de Garantía Solidaria), was created to provide additional funds to finance guaranteed minimum benefits, a longevity pension, and certain contribution credits and special pensions, effective as of November 15, 2017.

#### Coverage

**Mandatory individual account:** Public- and private-sector employees.

Voluntary coverage for self-employed persons, owners of small enterprises, and citizens of El Salvador residing abroad.

**Social assistance:** Residents of municipalities designated as poor.

#### Source of Funds

##### Insured person

**Mandatory individual account:** 7.25% of monthly covered earnings (November 2017).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage ranges from US\$200 (agriculture and cotton industry) to US\$300 (commerce and service industry), according to the economic sector.

The maximum earnings used to calculate contributions are US\$6,377.15 (January 2017).

Pensioners receiving monthly pensions greater than the minimum monthly pension pay a special contribution to finance the Solidarity Guarantee Fund; the contribution ranges from 3% of the pension for a monthly pension up to three times the minimum monthly pension, to 10% of the pension for a monthly pension greater than eight times the minimum monthly pension.

The minimum monthly pension is US\$207.60.

**Social assistance:** None.

##### Self-employed person

**Mandatory individual account:** 15% of monthly covered declared earnings.

Of the self-employed person's contributions, 8% (gradually rising to 11.1% by 2050) is allocated to the individual account, 2% to disability and survivor insurance and administrative fees; and 5% (gradually decreasing to 2% by 2050) to the Solidarity Guarantee Fund (as of November 2017).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage ranges from US\$200 (agriculture and cotton industry) to US\$300 (commerce and service industry), according to the economic sector.

The maximum earnings used to calculate contributions are US\$6,377.15 (January 2017).

**Social assistance:** None.

##### Employer

**Mandatory individual account:** 7.75% of monthly covered payroll.

Of the employer's contributions, 0.75% (gradually rising to 3.85% by 2050) is allocated to the individual account, 2% to disability and survivor insurance and administrative fees; and 5% (gradually decreasing to 2% by 2050) to the Solidarity Guarantee Fund (as of November 2017).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage ranges from US\$200 (agriculture and cotton industry) to US\$300 (commerce and service industry), according to the economic sector.

The maximum monthly earnings used to calculate contributions are US\$6,377.15 (January 2017).

**Social assistance:** None.

## Government

*Mandatory individual account:* Subsidies as needed; contributes as an employer.

*Social assistance:* The total cost.

## Qualifying Conditions

### Old-age pension (mandatory individual account):

Age 60 (men) or age 55 (women) with at least 25 years of contributions; at any age with at least 30 years of contributions until December 31, 2004.

Guaranteed minimum old-age pension: Age 60 (men) or age 55 (women) with at least 25 years of contributions. Paid when the account balance is exhausted after being used to finance the minimum monthly old-age pension for less than 20 years.

The minimum monthly old-age pension is US\$207.60.

The guaranteed minimum old-age pension ceases 20 years after the old-age pension is claimed or at age 85 (men) or age 80 (women), whichever occurs first, and is replaced by a longevity pension of the same amount.

Longevity pension: Paid to a pensioner 20 years after the old-age pension is claimed or at age 85 (men) or age 80 (women), whichever occurs first.

Special contribution supplement: Age 85 and paying the special contribution to the Solidarity Guarantee Fund.

**Permanent old-age benefit (Beneficio Económico Permanente, mandatory individual account):** Age 60 (men) or age 55 (women) with 21 to 24 years of contributions. Insured persons qualifying for this benefit may claim the old-age settlement instead of this benefit.

**Temporary old-age benefit (Beneficio Económico Temporal, mandatory individual account):** Age 60 (men) or age 55 (women) with 10 to 20 years of contributions. Insured persons qualifying for this benefit may claim the old-age settlement instead of this benefit.

**Old-age settlement (mandatory individual account):** Age 60 (men) or age 55 (women) with less than 25 years of contributions.

**Universal basic old-age pension (social assistance):** Age 70, not receiving any other pension, and assessed as needy. The insured must not have contributed to social security during his or her working life.

**Disability pension (mandatory individual account):** Must be assessed with a degree of disability of at least 66% and have been actively contributing before the disability began or have at least six months of contributions in the 12 months before the disability began; unemployed persons must have contributed in the 12 months before the disability began and have at least six months of contributions in the 12 months before the last contribution.

Partial disability: Must be assessed with a degree of disability of at least 50% but less than 65%.

Guaranteed minimum disability pension: Must have at least 10 years of contributions before the disability began; at least three years of contributions in the five years before the disability began; or at least six months of contributions in the 12 months before the disability began if the disability is the result of an accident and the insured was actively contributing before the disability began. Paid when the account balance is exhausted after being used to finance the disability pension.

The guaranteed minimum disability pension ceases at the normal retirement age and is replaced by the guaranteed minimum old-age pension.

The Disability Commission assesses the loss of work capacity.

**Survivor pension (mandatory individual account):** The deceased was actively contributing to an individual account at the time of death and had at least six months of contributions in the 12 months before death; unemployed persons must have contributed in the last 12 months and had at least six months of contributions in the 12 months before the last contribution.

Eligible survivors include the widow(er) or cohabiting partner who lived with the deceased for at least three years, children younger than age 18 (age 24 if a student, no limit if disabled), and dependent parents.

Guaranteed minimum survivor pension: The deceased had at least 10 years of contributions; at least three years of contributions in the five years before the death; at least six months of contributions in the 12 months before death if the death was the result of an accident and the insured was actively contributing to an individual account. Paid when the deceased's account balance is exhausted after being used to finance the survivor pension.

## Old-Age Benefits

**Old-age pension (mandatory individual account):** The insured has three different payment options: make programmed withdrawals; purchase an annuity from a private insurance company; or a combination of the two options. (For workers who opted to switch from the old social insurance system to the individual account system in 1998, the value of accrued rights under the old system is combined with the individual account balance at retirement.) The pension is paid for up to 20 years (240 monthly payments and 20 Christmas payments) if the programmed withdrawals option is chosen. For all payment options, the monthly benefit must be at least the minimum monthly old-age pension.

The minimum monthly old-age pension is US\$207.60.

Guaranteed minimum old-age pension: The minimum monthly old-age pension is paid.



Longevity pension: At least the minimum monthly old-age pension is paid.

Special contribution supplement: 10% of the old-age pension is paid.

The guaranteed minimum old-age pension and longevity pension are paid from the Solidarity Guarantee Fund.

**Permanent old-age benefit (Beneficio Económico Permanente, mandatory individual account):** The total account balance, divided into a monthly benefit over 20 years, is paid.

The monthly benefit may be lower than the minimum monthly old-age pension.

The minimum monthly old-age pension is US\$207.60.

**Temporary old-age benefit (Beneficio Económico Temporal, mandatory individual account):** A monthly benefit of 40% to 60% of the minimum monthly old-age pension, according to the insured's years of contributions, or the account balance divided by 12 times the insured's years of contributions, whichever is greater, is paid.

The minimum monthly old-age pension is US\$207.60.

**Old-age settlement (mandatory individual account):** A lump sum of the total account balance plus the total contributions to the Solidarity Guarantee Fund is paid.

**Universal basic old-age pension (social assistance):** \$100 is paid every two months.

### **Permanent Disability Benefits**

**Disability pension (mandatory individual account):** For a total disability, 50% of the insured's base salary is paid.

The base salary is the insured's average monthly earnings in the last 120 months.

The minimum monthly disability pension for a total disability is US\$207.60

Partial disability: 36% of the insured's base salary is paid.

The minimum monthly disability pension for a partial disability is US\$145.32.

Guaranteed minimum disability pension: The minimum monthly pension for a total disability or partial disability is paid.

### **Survivor Benefits**

#### **Survivor pension (mandatory individual account)**

*Spouse's pension:* 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) or cohabiting partner with children (if there is no widow(er) or cohabiting partner, the pension is paid to orphans); 60% if there is no eligible orphan.

*Orphan's pension:* 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each eligible child; 40% for a full orphan.

*Dependent parent's pension:* 20% of the old-age or disability pension the deceased received or was entitled to receive is paid to each dependent parent; 30% if there is only one surviving parent. If there is no eligible widow(er) or partner, 40% is paid to each dependent parent; 80% if there is only one surviving parent.

Guaranteed minimum survivor pension: The minimum monthly survivor pension is paid.

The minimum monthly survivor pension is US\$207.60.

The maximum combined survivor pension is 100% of the old-age pension the deceased received or was entitled to receive.

### **Administrative Organization**

Superintendent of Financial System (<http://www.ssf.gob.sv/>) provides general supervision.

Individual pension fund management companies (AFPs) administer individual accounts and collect contributions.

Social Investment Fund for Local Development (FISDL, <http://www.fisd.l.gob.sv/>) administers the universal basic old-age pension.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1949.

**Current laws:** 1953 (social security), 1996 (social insurance), 2007 (for teachers and professors), and 2010 (household workers).

**Type of program:** Social insurance system.

#### **Coverage**

Employed and self-employed persons in industry and commerce, public-sector employees, household workers, and pensioners and certain unemployed persons (medical benefits only).

Exclusions: Agricultural and casual workers.

#### **Source of Funds**

**Insured person:** 3% of monthly covered earnings. Pensioners contribute 7.8% of the old-age, disability, or survivor pension; or 6% of the work injury disability or survivor pension.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage ranges from US\$200 (agriculture and cotton industry) to US\$300 (commerce and service industry), according to the economic sector.

The maximum monthly earnings used to calculate contributions are US\$1,000 (US\$685.71 for pensioners).

The insured person's contributions also finance work injury benefits.

**Self-employed person:** 10.5% of covered declared income.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage ranges from US\$200 (agriculture and cotton industry) to US\$300 (commerce and service industry), according to the economic sector.

The maximum monthly earnings used to calculate contributions are US\$1,000 (US\$685.71 for pensioners).

The self-employed person's contributions also finance work injury benefits.

**Employer:** 7.5% of covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage ranges from US\$200 (agriculture and cotton industry) to US\$300 (commerce and service industry), according to the economic sector.

The maximum monthly earnings used to calculate contributions are US\$1,000.

The employer's contributions also finance work injury benefits.

**Government:** An annual subsidy; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit:** Must be currently employed. There is no minimum qualifying period. Household workers do not qualify for a cash sickness benefit.

**Cash maternity benefit:** Must have at least 16 weeks of contributions in the 12 months before the expected date of childbirth.

**Medical benefits:** There is no minimum qualifying period if the insured is currently employed and contributing. Unemployed persons must have at least eight weeks of contributions in the last three months. Household workers have a qualifying period of six months for certain conditions.

### Sickness and Maternity Benefits

**Sickness benefit:** 75% of the insured's average daily base earnings in the first three of the four months before the sickness began is paid after a three-day waiting period for up to 26 weeks for the same incapacity; may be extended for an additional 26 weeks. The benefit is paid daily.

**Maternity benefit:** 100% of the insured's average daily base earnings in the first three of the four months before the maternity leave is paid for up to 16 weeks, including at least 10 weeks after childbirth; other benefits include milk (with a medical prescription) and a layette. The benefit is paid daily.

### Workers' Medical Benefits

Benefits include complete medical, accident and maternity care, hospitalization, medicine, auxiliary services for diagnosis and treatment, and dental care (except for cosmetic reasons). Unemployed persons receive medical benefits for up to a year.

### Dependents' Medical Benefits

The insured's wife receives maternity care (including a breastfeeding grant and layette) and medical and dental benefits. Children up to age 12 receive basic medical care.

### Administrative Organization

Salvadorian Social Insurance Institute (<http://www.iss.gov.sv/>), supervised by a board of directors, administers the program and collects contributions.

Salvadorian Social Insurance Institute operates its own clinics and hospitals.

### Work Injury

#### Regulatory Framework

**First law:** 1949.

**Current laws:** 1953 (social security), 1996 (social insurance), and 2012 (occupational risks).

**Type of program:** Social insurance system.

#### Coverage

Public- and private-sector employees, self-employed persons in industry and commerce, and household workers.

Exclusions: Casual and rural workers.

#### Source of Funds

**Insured person:** See source of funds under Sickness and Maternity.

**Self-employed person:** See source of funds under Sickness and Maternity.

**Employer:** See source of funds under Sickness and Maternity.

**Government:** An annual subsidy; contributes as an employer.

#### Qualifying Conditions

Must be assessed with a work injury or occupational disease.

#### Temporary Disability Benefits

75% of the insured's average monthly base earnings in the first three of the last four months is paid from the day after the disability began for up to 52 weeks.

## Permanent Disability Benefits

For an assessed degree of disability of more than 66%, 70% of the insured's average monthly earnings in the 12 months before the disability began is paid.

The minimum monthly permanent disability pension is US\$119.70.

Constant-attendance supplement: Up to 50% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

Child supplement: A supplement is paid for each child.

Partial disability: For an assessed degree of disability of greater than 35% and up to 66%, a percentage of the full permanent disability pension is paid according to the assessed degree of disability. For an assessed degree of disability of 21% to 35%, the benefit is double the amount of the permanent disability pension based on the assessed degree of disability and is paid for up to three years.

## Workers' Medical Benefits

Benefits include complete medical and maternity care, hospitalization, medicine, auxiliary services for diagnosis and treatment, and dental care (except for cosmetic reasons).

## Survivor Benefits

### Survivor pension

*Spouse's pension:* 60% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow(er).

*Orphan's pension:* 30% of the permanent disability pension the deceased received or was entitled to receive is paid for each child younger than age 16 (age 22 if a student); 40% is paid to a full orphan who was not receiving a survivor pension before.

*Other eligible survivors' pension:* If there are no other eligible survivors, 60% of the permanent disability the deceased received or was entitled to receive is paid to parents who have reached the normal retirement age; 40% if there is only one eligible parent.

The maximum combined survivor pension is 100% of the permanent disability pension the deceased received or was entitled to receive.

**Funeral grant:** A lump sum of twice the deceased's average monthly salary (used to calculate contributions) in the two years before death is paid.

## Administrative Organization

Salvadorian Social Insurance Institute (<http://www.iss.gov.sv/>), supervised by a board of directors, administers the program and collects contributions.

Social Insurance Institute operates its own clinics and hospitals.

## Unemployment

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### Regulatory Framework

Labor law (1972) requires employers to provide severance pay in cases of unfair dismissal. For an employee with a permanent contract, the benefit is 30 days of the employee's pay for each continuous year of service. The benefit is reduced proportionately for fractions of a year. Employees with a fixed term contract receive 100% of the outstanding basic earnings agreed to in their work contract, or the equivalent severance pay they would receive under a permanent contract, whichever is less.

The minimum severance benefit for employees with a permanent contract is 15 days of pay.

The maximum severance benefit is four times the legal minimum wage.

The legal monthly minimum wage ranges from US\$200 (agriculture and cotton industry) to US\$300 (commerce and service industry), according to the economic sector.

### Family Allowances

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#### Regulatory Framework

**First law:** 2005 (Red Solidaria cash transfer).

**Current laws:** 2009 (Solidarity cash transfer).

**Type of program:** Social assistance system.

Note: In June 2017, the universal basic old-age pension (social assistance) was terminated for new beneficiaries; current beneficiaries will continue to receive benefits.

#### Coverage

Needy citizens of El Salvador.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

#### Qualifying Conditions

**Solidarity cash transfers (Comunidades Solidarias Urbanas y Rurales, means tested):** Must be assessed as living in extreme poverty and residing in one of the regions classified as having high rates of severe, high, or moderate poverty.

**Health cash transfer:** Paid to a family with a pregnant woman or children younger than age 5, and who comply with vaccination, medical service, and prenatal consultation requirements.

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*Education cash transfer:* Paid to a family with at least one child younger than age 18 who has not completed the sixth grade. Eligible children must register for school and comply with attendance requirements.

### **Family Allowance Benefits**

#### **Solidarity cash transfers (Comunidades Solidarias Urbanas y Rurales, means tested)**

*Health cash transfer:* US\$30 is paid every two months.

*Education cash transfer:* US\$30 is paid every two months.

The maximum combined cash transfer benefit is US\$40 every two months for families that qualify for both cash transfers.

### **Administrative Organization**

Social Investment Fund for Local Development (<http://www.fisd.l.gob.sv/>) administers the solidarity cash transfer program for rural areas.

Ministry of Education (<http://www.mined.gob.sv/>), Ministry of Health (<http://www.salud.gob.sv/>), and National Fund for Popular Housing (<http://www.fonavipo.gob.sv/>) administer the different components of the solidarity cash transfer program for urban areas, as per their areas of authority.



## Grenada

Exchange rate: US\$1.00 =  
2.70 East Caribbean dollars (EC\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1969 (provident fund).

**Current law:** 1983 (social insurance).

**Type of program:** Social insurance system.

#### Coverage

Public- and private-sector employees and self-employed persons.

Voluntary coverage is available.

#### Source of Funds

**Insured person:** 4% of gross monthly covered earnings; 6.75% for the voluntarily insured.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$5,000.

The insured person's contributions also finance sickness and maternity benefits.

**Self-employed person:** 8% of gross monthly covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$5,000.

The self-employed person's contributions also finance sickness and maternity benefits.

**Employer:** 4% of gross monthly covered payroll for insured persons from age 16 to 60.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$5,000.

The employer's contributions also finance sickness and maternity benefits.

**Government:** None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension:** Age 60 with at least 500 weeks of paid or credited contributions, including at least 150 weeks of paid contributions.

Contributions are credited for periods of sickness, maternity, or temporary or permanent work injury.

**Old-age grant:** Age 60 with at least 50 weeks of paid or credited contributions but less than 500 weeks.

Contributions are credited for periods of sickness, maternity, or temporary or permanent work injury.

Old-age benefits are payable abroad.

**Disability pension:** Must be younger than the normal retirement age with at least 150 weeks of paid contributions and assessed with a permanent incapacity for work.

**Disability grant:** Must be younger than the normal retirement age with at least 50 weeks but less than 150 weeks of paid contributions and assessed with a permanent incapacity for work.

Disability benefits are payable abroad.

**Survivor pension:** The deceased received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a widow(er) or common-law spouse who was married to the deceased for at least three years, children younger than age 16 (age 21 if a full-time student), and dependent parents.

The widow(er)'s pension ceases upon remarriage or cohabitation.

**Survivor grant:** The deceased received or was entitled to receive an old-age or disability grant at the time of death.

Eligible survivors include a widow(er) who was married to the deceased for at least three years, children younger than age 16 (age 21 if a full-time student), and dependent parents.

Survivor benefits are payable abroad.

**Funeral grant:** Paid to the person who paid for the funeral when the insured person, the insured's spouse, or the insured's child younger than age 16 (age 21 if a full-time student) dies. The insured must have received or been entitled to receive an old-age, disability, sickness, maternity, or work injury benefit at the time of the death.

#### Old-Age Benefits

**Old-age pension:** 30% of the insured's average weekly earnings plus 1% of the insured's average weekly earnings for each 50-week period of contributions exceeding 500 weeks is paid.

Average weekly earnings are the insured's average annual covered earnings in the best five years divided by 52.

The minimum weekly pension is EC\$46.40.

The maximum weekly pension is EC\$491.30.

**Old-age grant:** A lump sum of five times the insured's average weekly earnings for each 50-week period of paid or credited contributions is paid.

Average weekly earnings are the sum of the insured's weekly covered earnings for the relevant period divided by the number of weeks.

Benefit adjustment: Benefits are reviewed periodically.

### **Permanent Disability Benefits**

**Disability pension:** 30% of the insured's average weekly earnings plus 1% of the insured's average weekly earnings for each 50-week period of contributions exceeding 500 weeks is paid.

Average weekly earnings are the insured's average annual covered earnings in the best five years divided by 52.

The minimum weekly pension is EC\$46.40.

The maximum weekly pension is 60% of the insured's average weekly earnings.

**Disability grant:** A lump sum of five times the insured's average weekly earnings for each 50-week period of paid or credited contributions is paid.

Average weekly earnings are the sum of the insured's weekly covered earnings for the relevant period divided by the number of weeks.

Benefit adjustment: Benefits are reviewed periodically.

### **Survivor Benefits**

#### **Survivor pension**

*Spouse's pension:* 75% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) or common-law spouse. The pension is paid for a year to a widow(er) or common-law spouse who is younger than age 50.

The minimum weekly pension is EC\$46.40.

The maximum weekly pension is EC\$447.38.

If the surviving spouse is eligible for an old-age or disability pension and a survivor pension, the total amount received is 100% of the old-age or disability pension plus 50% of the survivor pension.

*Orphan's pension:* 25% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible child; 50% for an orphan with a disability or a full orphan.

The minimum weekly orphan's pension is EC\$19.70.

The maximum weekly orphan's pension is EC\$149.13 (EC\$298.25 for a full orphan).

*Dependent parent's pension:* Up to 25% of the old-age or disability pension the deceased received or was entitled to receive is paid for a dependent parent.

The maximum combined survivor benefit is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Survivor grant:** A lump sum of five times the insured's average weekly earnings for each 50-week period of paid or credited contributions is paid. The pension is paid for a year to a widow(er) who is younger than age 50.

Average weekly earnings are the sum of the insured's weekly covered earnings for the relevant period divided by the number of weeks.

**Funeral grant:** EC\$2,320 is paid for the insured's funeral; EC\$1,740 for the funeral of the insured's spouse; and EC\$870 for the funeral of the insured's child.

Benefit adjustment: Benefits are reviewed periodically.

### **Administrative Organization**

Ministry of Health and Social Security (<http://health.gov.gd/>) provides general supervision.

National Insurance Scheme (<http://www.nisgrenada.org/>) collects contributions and administers the programs.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1980 (maternity leave).

**Current laws:** 1983 (social insurance) and 1999 (employment act).

**Type of program:** Universal (medical benefits), social insurance (cash sickness and maternity benefits), and employer-liability (cash maternity and sickness benefits) system.

#### **Coverage**

**Social insurance:** Public- and private-sector employees and self-employed persons.

**Employer liability:** Public- and private-sector employees.  
Exclusions: Self-employed persons.

#### **Source of Funds**

##### **Insured person**

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

*Employer liability:* None.

### Self-employed person

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

*Employer liability:* Not applicable.

### Employer

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

*Employer liability:* The total cost.

### Government

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

*Employer liability:* Not applicable; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have been employed on the day before the incapacity began and have at least 13 weeks of coverage, including eight weeks of contributions as an employee in the 13 weeks before the incapacity began.

**Cash sickness benefit (employer liability):** Must have been employed for at least 12 consecutive months with the same employer and provide a medical certificate from a registered medical practitioner stating the nature and expected duration of incapacity. The employee is eligible for sickness benefits for up to five times per year.

**Cash maternity benefit (social insurance):** Paid to an insured woman or the wife of an insured man with least 30 weeks of coverage, including 20 weeks of contributions as an employee in the 30-week period immediately preceding the week that is six weeks before the expected date of childbirth or the week in which the claim is made, whichever is later.

**Cash maternity benefit (employer liability):** Must have worked at least 18 months with the same employer (105 days in the last 18 months for a worker who is paid daily).

**Maternity grant (social insurance):** Paid to an insured woman or the insured husband of an uninsured woman. The insured person must have at least 50 weeks of paid contributions.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 65% of the insured's average weekly covered earnings in the 13 weeks before the incapacity began is paid from the first day of incapacity for up to 26 weeks; for up to 52 weeks with at least 150 weeks of paid or credited contributions, including at least 75 weeks in the last three years.

There is no minimum benefit.

The maximum daily sickness benefit is EC\$125.

**Sickness benefit (employer liability):** 100% (35% if receiving a social insurance sickness benefit) of the employee's wages is paid for up to two months. Benefits may be extended based on a medical report of a medical practitioner.

**Maternity benefit (social insurance):** 65% of the insured's average weekly covered earnings in the 30 weeks before the start of the benefit is paid for up to 12 weeks, beginning up to six weeks before the expected date of childbirth.

The minimum weekly maternity benefit is EC\$522.

The maximum weekly maternity benefit is EC\$750

**Maternity benefit (employer liability):** Up to 40% of the employee's average covered earnings for two months of the three-month maternity leave period is paid. The benefit is paid once every two years, up to a total of three times.

**Maternity grant (social insurance):** A lump sum of EC\$522 is paid.

Benefit adjustment: Benefits are reviewed periodically.

### Workers' Medical Benefits

Public hospitals and community health facilities provide free public health care. Fees may be charged for X-rays and laboratory tests.

### Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

### Administrative Organization

Ministry of Health and Social Security (<http://health.gov.gd/>) provides general supervision and administers the public health system.

National Insurance Scheme (<http://www.nisgrenada.org/>) collects contributions and administers the social insurance program.

Ministry of Labour (<http://labour.gov.gd/>) provides general supervision of the employer-liability program.

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### Work Injury

#### Regulatory Framework

**First law:** 1982 (workmen's compensation)

**Current law:** 1983 (social insurance).

**Type of program:** Social insurance system.

#### Coverage

Public- and private-sector employees and self-employed persons.

## Source of Funds

**Insured person:** None.

**Self-employed person:** 1% of gross monthly covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$5,000.

**Employer:** 1% of gross monthly covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$5,000.

**Government:** None; contributes as an employer.

## Qualifying Conditions

There is no minimum qualifying period.

## Temporary Disability Benefits

70% of the insured's average weekly covered earnings in the last 13 weeks is paid from the day of the work injury or certified onset of the occupational disease until recovery or for 52 weeks, whichever occurs sooner.

There is no minimum or maximum benefit.

A doctor assesses the degree of disability.

Benefit adjustment: Benefits are reviewed periodically.

## Permanent Disability Benefits

For a total (100%) disability, 70% of the insured's average weekly covered earnings in the last 13 weeks is paid. For an assessed degree of disability of 30% to 99%, the benefit is reduced proportionately according to the assessed degree of disability.

There is no minimum or maximum benefit.

A lump sum is paid for an assessed degree of disability of 1% to 29%.

Constant-attendance allowance: 50% of the permanent disability benefit is paid if the insured is assessed with a total (100%) disability and requires the constant attendance of others to perform daily functions.

A doctor assesses the degree of disability.

Benefit adjustment: Benefits are reviewed periodically.

## Workers' Medical Benefits

Benefits include medical, surgical, dental, and hospital treatment; skilled nursing services; medicine; prostheses; overseas treatment; and the cost of transportation for medical services.

The costs of medical treatment abroad are fully reimbursed with prior approval from the National Insurance Board or up to EC\$1,000 without approval.

## Survivor Benefits

### Survivor pension

*Spouse's pension:* 75% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow(er).

The minimum weekly spouse's pension is EC\$46.40.

The maximum weekly spouse's pension is EC\$447.38.

The pension ceases upon remarriage or cohabitation.

*Orphan's pension:* 25% of the permanent disability pension the deceased received or was entitled to receive is paid for each child younger than age 16 (age 21 if a full-time student); 50% for a disabled or full orphan.

The minimum weekly orphan's pension is EC\$19.70.

The maximum weekly orphan's pension is EC\$149.13 (EC\$298.25 for full orphans).

*Other dependent's pension:* 50% of the permanent disability pension the deceased received or was entitled to receive is paid if the survivor was totally dependent on the insured; 25% if partially dependent. The pension is paid for up to 52 weeks from the insured's date of death.

The minimum weekly dependent's pension is EC\$19.70.

The maximum combined survivor benefit is 100% of the permanent disability pension the deceased received or was entitled to receive.

**Funeral grant:** A lump sum of EC\$2,000 is paid to the person who paid for the insured's funeral.

Benefit adjustment: Benefits are reviewed periodically.

## Administrative Organization

Ministry of Health and Social Security (<http://health.gov.gd/>) provides general supervision.

National Insurance Scheme (<http://www.nisgrenada.org/>) collects contributions and administers the program.

## Unemployment

### Regulatory Framework

Under the 1999 Employment Act, employers are required to provide severance pay to a dismissed employee who has completed at least one year of continuous employment with that employer. At least one week's wages is paid for each completed year of service.



## Guatemala

Exchange rate: US\$1.00 = 7.34 quetzales.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1969, implemented on a national level in 1977.

**Current law:** 2003 (social insurance) and 2005 (social pension).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employees, including agricultural workers and some public-sector employees.

Voluntary coverage for persons with at least 12 months of contributions in the last 36 months who join the program up to three months after the end of covered employment.

Exclusions: Self-employed persons.

**Social assistance:** Needy resident citizens of Guatemala.

Special system for public-sector employees not covered under the social insurance program, including executive and military personnel.

#### Source of Funds

##### Insured person

**Social insurance:** 1.83% of monthly covered earnings; 5.5% of declared earnings in the last month of mandatory coverage for the voluntarily insured.

The minimum daily earnings used to calculate contributions are the daily minimum wage.

The daily minimum wage varies from 79.48 quetzales (export and maquila industry) to 86.90 quetzales (other sectors).

There are no maximum earnings used to calculate contributions.

**Social assistance:** None with net annual income up to 25,000 quetzales; a fixed yearly amount, varying according to income, with net annual income above 25,000 quetzales.

##### Self-employed person

**Social insurance:** Not applicable.

**Social assistance:** None.

##### Employer

**Social insurance:** 3.67% of monthly covered payroll.

The minimum daily earnings used to calculate contributions are the daily minimum wage.

The daily minimum wage varies from 79.48 quetzales (export and maquila industry) to 86.90 quetzales (other sectors).

There are no maximum earnings used to calculate contributions.

**Social assistance:** None with net annual income up to 25,000 quetzales; a fixed yearly amount, varying according to income, for individuals with net annual income above 25,000 quetzales or legal entities with net annual income above 100,000 quetzales.

#### Government

**Social insurance:** 25% of total contributions paid; contributes as an employer.

**Social assistance:** Subsidies as needed.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 60 with at least 240 months of contributions.

Dependent's supplement: Paid for a spouse or partner, children younger than age 18 (no limit if disabled), and a dependent parent with no work capacity.

The old-age pension is not payable abroad.

**Old-age settlement (social insurance):** Age 60 with at least 12 but less than 240 months of contributions.

The old-age settlement is not payable abroad.

**Old-age social pension (Programa de Aporte Económico del Adulto Mayor, social assistance, means tested):** Age 65, unemployed, and not receiving any other pension.

The old-age social pension is not payable abroad.

**Disability pension (social insurance):** Must be assessed with a total disability (more than a 33% assessed loss of earning capacity) and have at least 36 months of contributions in the six years before the disability began.

The degree of disability is assessed yearly.

Dependent's supplement: Paid for a spouse or partner, children younger than age 18 (no limit if disabled), and a dependent parent with no work capacity.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

The disability pension ceases at the normal retirement age and is replaced by an old-age pension.

The disability pension is not payable abroad.

**Survivor pension (social insurance):** The deceased had at least 36 months of contributions in the last six years, and

received or was entitled to receive the old-age or disability pension at the time of death.

Eligible survivors include a widow, a widower with no work capacity, children younger than age 18 (no limit if disabled), a dependent mother, and a dependent father with no work capacity.

The widow(er)'s pension ceases upon remarriage.

The survivor pension is not payable abroad.

**Funeral grant (social insurance):** The deceased received or was entitled to receive an old-age or disability pension, or received a survivor pension; may not be combined with the funeral grant paid under Work Injury.

### Old-Age Benefits

**Old-age pension (social insurance):** 50% of the insured's average monthly earnings in the last 60 months plus 0.5% for each six-month period of contributions exceeding 120 months is paid.

Dependent's supplement: 10% of the old-age pension is paid for each eligible dependent.

The maximum monthly earnings used to calculate benefits are 6,000 quetzales.

The minimum monthly pension, including supplements, is 340 quetzales.

The maximum monthly pension, including supplements, is 4,800 quetzales (80% of the maximum monthly earnings used to calculate benefits).

Schedule of payments: 13 payments a year plus a July bonus of 300 quetzales and a December bonus of 500 quetzales.

Benefit adjustment: Benefits are adjusted periodically according to actuarial reviews.

**Old-age settlement (social insurance):** A lump sum of 70% of total contributions is paid, up to three times the maximum monthly earnings used to calculate benefits.

The maximum monthly earnings used to calculate benefits are 6,000 quetzales.

**Old-age social pension (Programa de Aporte Económico del Adulto Mayor, social assistance, means tested):** 400 quetzales a month is paid.

### Permanent Disability Benefits

**Disability pension (social insurance):** 50% of the insured's average monthly earnings in the last 60 months plus 0.5% for each six-month period of contributions exceeding 120 months is paid.

Dependent's supplement: 10% of the disability pension is paid for each eligible dependent.

Constant-attendance supplement: 25% of the disability pension is paid.

The minimum monthly pension is 340 quetzales.

Schedule of payments: 13 payments a year plus a July bonus of 300 quetzales and a December bonus of 500 quetzales.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

### Survivor Benefits

#### Survivor's pension (social insurance)

*Spouse's pension:* 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow or a widower with a disability.

The minimum monthly spouse's pension is 170 quetzales.

*Orphan's pension:* 25% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible child; 50% for each full orphan.

The minimum monthly orphan's pension is 85 quetzales; 170 quetzales for a full orphan.

*Dependent parent's pension:* 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each dependent parent.

The minimum monthly dependent parent's pension is 85 quetzales.

The minimum combined monthly survivor pension is 340 quetzales.

The maximum combined survivor pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

Schedule of payments: 13 payments a year plus a July bonus of 300 quetzales and a December bonus of 500 quetzales.

The July and December bonuses are split among the eligible survivors: the widow receives two-thirds, and the remaining one-third is split equally among other eligible survivors.

**Funeral grant (social insurance):** A lump sum of 600 quetzales is paid to the family member who pays for the funeral; up to 600 quetzales for a nonfamily member.

Benefit adjustment: Benefits are adjusted periodically according to actuarial reviews.

### Administrative Organization

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt/>) provides general supervision.

Social Security Institute (<http://www.igssgt.org/>) administers the programs.

### Sickness and Maternity

#### Regulatory Framework

**First law:** 1952 (maternity and children).

**Current law:** 1964 (sickness and maternity).

**Type of program:** Social insurance system.

### Coverage

Employees of firms with at least three workers and freight or passenger transport enterprises with at least one worker.

Exclusions: Self-employed persons.

Special system for household workers.

### Source of Funds

**Insured person:** 2% of gross monthly earnings.

There are no minimum or maximum earnings used to calculate contributions.

**Self-employed person:** Not applicable.

**Employer:** 4% of gross monthly payroll.

There are no minimum or maximum earnings used to calculate contributions.

**Government:** 2% of gross monthly payroll; contributes as an employer.

There are no minimum or maximum earnings used to calculate contributions.

### Qualifying Conditions

**Cash sickness and maternity benefits:** Must have at least four months (three months for those who joined the scheme before August 5, 2005) of contributions in the six months before the incapacity began.

**Medical benefits:** Must have at least four months of contributions in the last six months; there is no minimum contribution period for persons first insured before August 5, 2005.

### Sickness and Maternity Benefits

**Sickness benefit:** 66.7% of the insured's average daily earnings in the month before the incapacity began is paid after a three-day waiting period for up to 26 weeks; may be extended to 39 weeks. The maximum combined benefit for multiple periods of incapacity is 52 weeks in a 24-month period.

The minimum daily benefit is 12 quetzales.

The maximum daily benefit 120 quetzales.

**Maternity benefit:** 100% of the insured's average daily earnings in the month before childbirth is paid for 30 days before and 54 days after the expected date of childbirth. Nursing mothers are also permitted one hour a day at work to nurse their children, for up 10 months.

### Workers' Medical Benefits

Benefits include general, specialist, and maternity care; surgery; hospitalization; medicine; laboratory services; X-rays; appliances; transportation; rehabilitation; and retraining.

Free medical benefits are provided to uninsured persons in an emergency and until the condition stabilizes.

### Dependents' Medical Benefits

The wife or partner of an insured man receives the same maternity care and accident benefits as an insured woman in all parts of the country, and sickness benefits in 21 of the 22 administrative departments. The insured's children younger than age 7 are also covered.

Free medical benefits are provided to non-insured persons in an emergency and until the condition stabilizes.

### Administrative Organization

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt/>) provides general supervision.

Social Security Institute (<http://www.igssgt.org/>) administers contributions and benefits and provides medical benefits through its hospitals, clinics, and other medical services.

### Work Injury

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#### Regulatory Framework

**First law:** 1947.

**Current law:** 1994, implemented in 1995.

**Type of program:** Social insurance system.

#### Coverage

Employed persons, including private and public-sector employees.

Exclusions: Self-employed persons.

Special systems for elected state officials, diplomats, and household workers.

#### Source of Funds

**Insured person:** 1% of gross monthly earnings.

There are no minimum or maximum earnings used to calculate contributions.

**Self-employed person:** Not applicable.

**Employer:** 3% of gross monthly payroll.

There are no minimum or maximum earnings used to calculate contributions.

**Government:** 1.5% of gross monthly payroll.

There are no minimum or maximum earnings used to calculate contributions.

#### Qualifying Conditions

For cash benefits, the insured must have at least three months of contributions before the work injury or

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occupational disease began. For medical benefits, the insured must have at least four months of contributions in the last six months before the work injury or occupational disease began.

### **Temporary Disability Benefits**

66.7% of the insured's average daily earnings in the three months before the disability began is paid after a two-day waiting period.

The minimum daily benefit is 12 quetzales.

The maximum daily benefit is 120 quetzales.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

### **Permanent Disability Benefits**

A lump sum of 495 to 4,950 quetzales is paid according to the assessed degree of disability.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

### **Workers' Medical Benefits**

Benefits include medical treatment, surgery, hospitalization, medicine, appliances, transportation, rehabilitation services, X-rays, laboratory tests, and retraining.

### **Survivor Benefits**

**Funeral grant:** A lump sum of up to 412.50 quetzales is paid for funeral expenses.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

### **Administrative Organization**

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt/>) provides general supervision.

Social Security Institute (<http://www.igssgt.org/>) administers contributions and benefits and provides medical benefits through its hospitals, clinics, and other medical services.

### **Unemployment**

#### **Regulatory Framework**

Labor law requires employers to provide severance pay in cases of unfair dismissal to workers with permanent contracts who have passed a probation period. The benefit is one month's salary for each year of continuous service and is reduced proportionately for fractions of a year.

## Guyana

Exchange rate: US\$1.00 =  
215.00 Guyana dollars (G\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1903 (poor relief), 1944 (old-age assistance), and 1969 (social security).

**Type of program:** Universal, social insurance, and social assistance system.

#### Coverage

**Universal:** Resident citizens of Guyana.

**Social insurance:** Public- and private-sector employees earning at least G\$7.50 a week; and self-employed persons earning at least G\$5.00 a week.

Voluntary coverage for previously insured persons until age 60.

Exclusions: Casual employees and family labor.

**Social assistance:** Needy persons.

#### Source of Funds

##### Insured person

*Universal:* None.

**Social insurance:** 5.6% of covered earnings; 9.3% of average weekly earnings in the two years before covered employment ceased for the voluntarily insured.

The maximum earnings used to calculate contributions are G\$50,769 a week or G\$220,000 a month (adjusted annually).

Contributions are paid weekly, biweekly, or monthly, depending on the type of employment.

The insured person's contributions also finance cash sickness and maternity benefits, medical benefits, and work injury benefits.

*Social assistance:* None.

##### Self-employed person

*Universal:* None.

**Social insurance:** 12.5% of covered declared income.

The maximum weekly earnings used to calculate contributions are G\$50,769 (adjusted annually).

Contributions are paid weekly, biweekly, or monthly, depending on the type of employment.

The self-employed person's contributions also finance cash sickness and maternity benefits, and medical benefits.

*Social assistance:* None.

##### Employer

*Universal:* None.

**Social insurance:** 8.4% of covered payroll; 1.5% for persons younger than age 16 and aged 60 or older.

The maximum earnings used to calculate contributions are G\$50,769 a week or G\$220,000 a month (adjusted annually).

The employer's contributions also finance cash sickness and maternity benefits, medical benefits, and work injury benefits.

*Social assistance:* None.

##### Government

*Universal:* The total cost.

**Social insurance:** Covers any deficit; contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (universal):** Age 65 with at least 10 years of citizenship, at least 20 years of residence, and no more than two years of temporary absences from Guyana.

Universal old-age benefits are not payable abroad.

**Old-age pension (social insurance):** Age 60 with at least 750 weeks of paid or credited contributions, including at least 150 weeks of paid contributions. Twenty-five weeks of contributions are credited for each year that the insured was older than age 35 in 1969, up to 600 weeks. In addition, contributions are credited for each complete contributory week the insured received sickness, maternity, or work injury benefits.

Retirement is not necessary.

**Old-age grant (social insurance):** Age 60 with less than 750 weeks of contributions, including at least 50 weeks of contributions before age 60.

Social insurance old-age benefits are payable abroad.

**Disability pension (social insurance):** Aged 16 to 59 and assessed with an incapacity for work that is not the result of a work injury and is likely to remain permanent. Must have at least 250 weeks of paid or credited contributions, including at least 150 weeks of paid contributions; have been incapable of work for at least 26 weeks; and not be receiving a sickness benefit. Twenty-five weeks of contributions are credited for each year that the insured was older than age 35 in 1969, up to 600 weeks, and for each year the disability pension is awarded before the insured reaches age 60. In addition, contributions are credited for each



complete contributory week the insured received sickness, maternity, and work injury benefits.

The National Insurance Medical Board assesses the incapacity for work.

The disability pension ceases at age 60 and is replaced by the social insurance old-age pension.

Constant-attendance allowance: Paid if the insured requires the constant attendance of others to perform daily functions.

**Disability grant (social insurance):** Aged 16 to 59 and assessed with an incapacity for work that is likely to remain permanent. Must have at least 50 but less than 150 weeks of paid contributions and have been incapable of work for at least 26 weeks.

Disability benefits are not payable abroad.

**Disability public assistance (social assistance, means tested):** Paid to needy individuals with little or no means of support and a permanent incapacity for work or a temporary medical condition that results in an incapacity for work.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death; or was aged 16 to 59 with at least 250 weekly paid or credited contributions, including at least 150 weeks of paid contributions, at the time of death.

Twenty-five weeks of contributions are credited for each year that the insured was older than age 35 in 1969, up to 600 weeks. In addition, contributions are credited for each complete contributory week the insured received sickness, maternity, and work injury benefits.

Eligible survivors include a widow(er) who is aged 45 or older, who is assessed as permanently incapable of work, or who is pregnant with or caring for the deceased's children up to age 16 and resided with or received financial support from the deceased; and full orphans younger than age 18 who were dependent on the deceased.

The widow(er)'s pension ceases upon remarriage.

Remarriage settlement: Paid when the widow(er) remarries.

Child's supplement: A supplement is paid.

The child's supplement continues upon remarriage or cohabitation.

**Survivor grant (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability grant.

Eligible survivors include a widow who is aged 45 or older, who is assessed as permanently incapable of work, or who is pregnant with or caring for the deceased's children up to age 16 and resided with or received financial support from the deceased; a dependent widower older than age 55 who is assessed as permanently incapable of work; full orphans

younger than age 18 who were dependent on the deceased; and other dependent family members.

Survivor benefits are payable abroad.

**Funeral grant (social insurance):** The deceased or his or her spouse had at least 50 weeks of paid contributions at the time of death.

### **Old-Age Benefits**

**Old-age pension (universal):** G\$19,000 a month is paid.

**Old-age pension (social insurance):** 40% of the insured's average weekly earnings plus 1% of average weekly earnings for each 50-week period of contributions exceeding 750 weeks is paid. The old-age pension is paid monthly.

Average weekly earnings are based on the insured's best three years of covered earnings in the last five years before age 60 divided by the number of contribution weeks.

The minimum monthly old-age pension is 50% of the legal monthly minimum wage for public-sector workers.

The legal monthly minimum wage for public-sector workers is G\$55,000.

The maximum weekly old-age pension is 60% of the insured's average weekly earnings.

**Old-age grant (social insurance):** A lump sum of 8.33% of the insured's average annual earnings multiplied by the number of 50-week periods of paid or credited contributions is paid.

Average annual earnings are based on the insured's best three years of covered earnings in the last five years before age 60.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** The pension is 30% of the insured's average weekly earnings, plus 1% of average weekly earnings for each 50-week period of contributions exceeding 250 weeks, plus the insured's disability credits. The disability pension is paid monthly.

Average weekly earnings are based on the insured's best three years of covered earnings in the last five years before the disability began divided by the number of contribution weeks.

Disability credits are equal to the difference between the age of the insured when the disability began and age 60, multiplied by 25.

The minimum monthly disability pension is 50% of the legal monthly minimum wage for public-sector workers.

The legal monthly minimum wage for public-sector workers is G\$55,000.

The maximum weekly disability pension is 60% of the insured's average weekly earnings.

Constant-attendance allowance: G\$200 a day is paid for up to 26 weeks.

**Disability grant (social insurance):** A lump sum of 8.33% of the insured's average annual covered earnings multiplied by the number of 50-week periods of paid or credited contributions is paid.

Average annual earnings are based on the insured's best three years of covered earnings in the last five years before the disability began.

**Disability public assistance (social assistance, means tested):** Up to G\$7,500 a month is paid for one year to needy individuals with a permanent incapacity for work (six months for a temporary medical condition that results in an incapacity for work). The benefit may be extended upon review.

### **Survivor Benefits**

#### **Survivor pension (social insurance)**

*Spouse's pension:* 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er).

*Remarriage settlement:* A lump sum of 52 times the weekly spouse's pension is paid.

*Child's supplement:* 16.67% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for each eligible child, up to three children.

*Full orphan's pension:* 33.33% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each full orphan, up to three orphans.

The maximum combined survivor pension is 100% of the social insurance old-age or disability pension the deceased received or was entitled to receive.

**Survivor grant (social insurance):** A lump sum equal to the old-age grant the deceased would have been entitled to receive is paid. If the lump sum exceeds 60 times the minimum old-age or disability minimum pension, the benefit is paid as an annuity.

The minimum monthly old-age or disability pension is 50% of the legal monthly minimum wage for public-sector workers.

The legal monthly minimum wage for public-sector workers is G\$55,000.

**Funeral grant (social insurance):** A lump sum of G\$40,398 is paid to the person who pays for the funeral.

### **Administrative Organization**

Minister of Finance (<http://www.finance.gov.gy/>) provides general supervision.

National Insurance Scheme (<http://www.nis.org.gy/>), under the direction of the National Insurance Board, collects contributions and administers the social insurance programs.

Department of Social Security and Senior Citizens Welfare Department, under the direction of the Ministry of Labour, Human Services, and Social Security, administers the universal and social assistance programs.

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## **Sickness and Maternity**

### **Regulatory Framework**

**First and current law:** 1969 (social security).

**Type of program:** Social insurance system.

### **Coverage**

Public- and private-sector employees earning at least G\$7.50 a week; self-employed persons earning at least G\$5.00 a week; and pensioners (medical benefits only).

Exclusions: Casual employees and family labor.

### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

### **Qualifying Conditions**

**Cash sickness and medical benefits:** Must be younger than age 60, have been in covered employment for at least eight of the 13 weeks before the incapacity began, and have at least 50 weeks of contributions. Pensioners must prove that the medical condition began prior to receiving the old-age or disability pension (medical benefits only).

**Cash maternity benefit:** Must have at least 15 weeks of contributions, including at least seven in the 26-week period ending six weeks before the week in which the benefit is claimed.

**Cash maternity grant:** Paid to an insured woman or the wife of an insured man with at least 15 weeks of contributions, including at least seven in the 26-week period ending six weeks before the week in which the benefit is claimed.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 70% of the insured's average weekly covered earnings is paid from the fourth day of incapacity for up to 26 weeks.

Average weekly covered earnings are based on the insured's best eight weeks of earnings in the 13 weeks before the incapacity began.

**Maternity benefit:** 70% of the insured's average weekly covered earnings is paid for 13 weeks, including the week of childbirth plus six weeks before and six weeks after; may be extended for an additional 13 weeks if there are complications arising from childbirth.

Average weekly covered earnings are based on the insured's best seven weeks of earnings in the 26 weeks before the start of the benefit.

**Maternity grant:** A lump sum of G\$2,000 is paid.

### Workers' Medical Benefits

**Universal:** Public hospitals and health centers provide essential health care services free of charge. Other medical care is income tested and requires cost sharing.

**Social insurance:** Benefits include reimbursement of medical expenses incurred in Guyana or abroad. Rates vary according to the type of treatment.

Old-age or disability pensioners receive free dental care, medicine, and eyeglasses.

### Dependents' Medical Benefits

**Universal:** Public hospitals and health centers provide essential health care services free of charge. Other medical care is income tested and requires cost sharing.

### Administrative Organization

Minister of Finance (<http://www.finance.gov.gy/>) provides general supervision of the social insurance program.

Minister of Public Health (<http://www.health.gov.gy/>) provides general supervision of public medical services.

National Insurance Scheme (<http://www.nis.org.gy/>), under the direction of the National Insurance Board, collects contributions and administers the program.

### Work Injury

#### Regulatory Framework

**First law:** 1916.

**Current law:** 1969 (social security).

**Type of program:** Social insurance system.

#### Coverage

Public- and private-sector employees earning more than G\$7.50 a week.

Exclusions: Casual workers, family labor, and self-employed persons.

### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** Not applicable.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** Covers any deficit; contributes as an employer.

### Qualifying Conditions

Must be assessed with a work injury or an occupational disease.

### Temporary Disability Benefits

70% of the insured's average weekly earnings is paid retroactively after the first day if the injury lasts for more than three days, for up to 26 weeks.

Average weekly earnings are based on the insured's best eight weeks of covered earnings in the 13 weeks before the disability began.

### Permanent Disability Benefits

**Permanent disability pension:** For a total (100%) disability, 70% of the insured's average weekly earnings is paid.

Average weekly earnings are based on the insured's best eight weeks of covered earnings in the 13 weeks before the disability began.

Constant-attendance allowance: G\$200 a day is paid for up to 26 days if the insured requires the constant attendance of others to perform daily functions.

Partial disability: For an assessed degree of disability of at least 15% but less than 100%, a reduced pension is paid according to the assessed degree of disability. If the assessed degree of disability is less than 15%, a lump sum of 260 times the weekly disability benefit multiplied by the assessed degree of disability is paid.

The National Insurance Medical Board reviews the assessed degree of disability.

### Workers' Medical Benefits

Benefits include hospitalization, general and specialist care, medicine, and transportation.

### Survivor Benefits

#### Survivor pension

**Spouse's and dependent parents' pension:** 35% of the deceased's average weekly earnings is paid to a widow who is aged 45 or older, who is assessed as permanently incapable of work, or who is pregnant with or caring for the deceased's child(ren) up to age 16 and who resided with or received financial support from the deceased at the time

of death; a dependent widow(er) older than age 55 who is assessed as permanently incapable of work and not receiving any other allowances; or a parent who is assessed as permanently incapable of work and was totally or partially dependent on the deceased.

The minimum monthly pension for a widow(er) or parent is 50% of the minimum monthly old-age or disability pension.

The minimum monthly old-age or disability pension is 50% of the legal monthly minimum wage for public-sector workers.

The legal monthly minimum wage for public-sector workers is G\$55,000.

**Orphan's pension:** 11.67% of the deceased's average weekly earnings is paid for each orphan younger than age 18 who was dependent on the deceased, up to 70% of the deceased's weekly earnings; 23.33% for each full orphan.

The minimum monthly orphan's pension is 16.67% of the minimum monthly old-age or disability pension; 33.33% for a full orphan.

The maximum combined survivor pension is 70% of the deceased's average weekly earnings.

**Other dependents' settlement:** If there is no eligible widow(er), orphan, or dependent parent, a lump sum of up to 100 times the deceased's weekly earnings is paid to other family members who are assessed as permanently incapable of work and who were totally or partially dependent on the deceased.

The minimum dependents' settlement is G\$2,700.

If the lump sum exceeds 60 times the minimum monthly old-age or disability pension, the benefit is paid as an annuity.

The minimum monthly old-age or disability pension is 50% of the legal monthly minimum wage for public-sector workers.

The legal monthly minimum wage for public-sector workers is G\$55,000.

**Death benefit:** If there are no dependents, up to G\$250 is paid to the insured's creditors or estate.

### **Administrative Organization**

Minister of Finance (<http://www.finance.gov.gy/>) provides general supervision.

National Insurance Scheme (<http://www.nis.org.gy/>), under the direction of the National Insurance Board, collects contributions and administers the program.

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## **Unemployment**

### **Regulatory Framework**

The Termination of Employment and Severance Pay Act (1997) requires employers to provide severance pay in cases of redundancy or termination of employment by mutual consent of the parties or by notice of one party, to employees who have at least one year of continuous service. One week of wages is paid for each of the first five years of service, two weeks for each year from six to 10 years, and three weeks for each year above 10 years, up to a total of 52 weeks of wages.

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### **Family Allowances**

#### **Regulatory Framework**

**First and current law:** 1903 (poor relief).

**Type of program:** Social assistance system.

#### **Coverage**

Individuals and families assessed as needy.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

#### **Qualifying Conditions**

**Public assistance (means tested):** Paid to needy persons and families with little or no means of support. The payment is conditional on children's regular attendance at school and at medical appointments.

#### **Family Allowance Benefits**

**Public assistance (means tested):** Up to G\$7,500 a month is paid for six months. The benefit may be extended upon review.

#### **Administrative Organization**

Department of Social Security and Senior Citizens Welfare Department, under the direction of the Ministry of Labour, Human Services, and Social Security, administers the program.



## Haiti

Exchange rate: US\$1.00 = 61.32 gourdes.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1965 (old-age insurance).

**Current laws:** 1967 (social insurance), 1971 (social assistance), and 1990 (social assistance).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Private-sector employees.

Voluntary coverage is available.

Special system for public-sector employees.

**Social assistance:** Needy residents of Haiti.

#### Source of Funds

##### Insured person

**Social insurance:** 6% of earnings; 12% for the voluntarily insured.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 12% of declared earnings.

**Social assistance:** None.

##### Employer

**Social insurance:** 6% of payroll.

**Social assistance:** None.

##### Government

**Social insurance:** Subsidies as needed.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 55 with at least 20 years of contributions.

Partial pension: Age 55 with 10 to 19 years of contributions.

**Social old-age pension (Kore Ti Gran Moun, social assistance, income tested):** Age 66, living in conditions of extreme poverty, not working, and not receiving any other pension.

**Old-age settlement (social insurance):** Age 55 with less than 10 years of contributions.

**Disability pension (social insurance):** Must be assessed with a total incapacity for work and have at least 10 years of contributions. The disability must not be caused by a work injury.

**Social disability pension (Kore Andikape, social assistance, income tested):** Must be aged 18 to 65, be incapable of any work, living at home in conditions of extreme poverty, and not receiving any other pension.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Eligible survivors include the widow(er) and orphans younger than age 18 (age 24 if a student).

The widow(er)'s pension ceases upon remarriage or cohabitation.

**Survivor settlement (social insurance):** The deceased did not qualify for an old-age or disability pension at the time of death.

Eligible survivors include the widow(er) and orphans younger than age 18 (age 24 if a student).

#### Old-Age Benefits

**Old-age pension (social insurance):** 33.3% of the insured's average monthly earnings in the last 10 years is paid.

Partial pension: 25% of the insured's average monthly earnings in the last 10 years is paid with 15 years to 19 years of contributions; 20% with 10 to 14 years of contributions.

Average earnings are not adjusted according to inflation.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

**Social old-age pension (Kore Ti Gran Moun, social assistance, income tested):** A benefit is paid.

**Old-age settlement (social insurance):** The total employer and employee contributions are refunded without accrued interest.

#### Permanent Disability Benefits

**Disability pension (social insurance):** 20% of the insured's average monthly earnings in the last 10 years before the disability began is paid.

Average earnings are not adjusted according to inflation.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

**Social disability pension (Kore Andikape, social assistance, income tested):** A benefit is paid.



### **Survivor Benefits**

**Survivor pension (social insurance):** 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid. The pension is split among eligible survivors.

**Benefit adjustment:** Benefits are adjusted on an ad hoc basis.

**Survivor settlement (social insurance):** The total employer and employee contributions are refunded without accrued interest.

### **Administrative Organization**

Ministry of Social Affairs and Labor (MAST) provides general supervision of the social insurance and social assistance programs.

Social Insurance Institute, managed by a tripartite board and a director general, administers the program through its National Office of Old-Age Insurance (<http://www.ona.ht/>).

Social Assistance Fund (CAS) and Economic and Social Assistance Fund (<http://faes.gouv.ht/>) administers the social assistance program.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First and current law:** 1984 (labor code).

**Type of program:** Employer-liability system. Cash sickness and maternity benefits only.

#### **Coverage**

Employed persons.

Exclusions: Self-employed persons.

Special system for public-sector employees.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost.

**Government:** None.

#### **Qualifying Conditions**

**Cash sickness and maternity benefits:** Must provide a medical certificate from a registered medical practitioner.

#### **Sickness and Maternity Benefits**

**Sickness benefit:** 100% of the employee's earnings is paid for up to 15 days for employees with at least one year of service. The benefit is reduced proportionately for employees with less than one year of service.

**Maternity benefit:** 100% of the employee's earnings is paid for six weeks.

### **Administrative Organization**

Ministry of Social Affairs and Labor (MAST) provides general supervision.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1951.

**Current law:** 1967.

**Type of program:** Social insurance system.

#### **Coverage**

Public-sector employees and employees of industrial, commercial, or agricultural firms in specified districts.

Exclusions: Self-employed persons.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 2% of payroll (commerce), 3% of payroll (industry, construction, and agriculture), or 6% of payroll (mining).

**Government:** None; contributes 2% of payroll as an employer.

#### **Qualifying Conditions**

There is no minimum qualifying period.

#### **Temporary Disability Benefits**

66.7% of the insured's monthly earnings is paid after a three-day waiting period for the duration of the incapacity. (The employer pays benefits during the waiting period.) The insured must be younger than age 55.

#### **Permanent Disability Benefits**

**Permanent disability pension:** For a total disability, 66.7% of the insured's monthly earnings is paid. The insured must be younger than age 55.

**Partial disability:** For at least a 10% assessed degree of disability but less than a total disability, a percentage of the total disability pension is paid according to the assessed degree of disability. For an assessed degree of disability of less than 10%, a lump sum is paid.

All disability pensions may be paid as a lump sum.

**Benefit adjustment:** Benefits are not regularly adjusted.

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### **Workers' Medical Benefits**

Benefits include medical and dental care, surgery, hospitalization, medicine, and appliances. Benefits are provided until the disability stabilizes or the insured makes a full recovery.

### **Survivor Benefits**

#### **Survivor pension**

*Spouse's pension:* 50% of the permanent disability pension for a total disability the deceased received or was entitled to receive is paid to a widow or to a dependent widower with a disability.

*Orphan's pension:* 30% of the permanent disability pension for a total disability the deceased received or was entitled to receive is paid for each orphan younger than age 21.

*Dependent parent's or grandparent's pension:* If there are no other eligible survivors, 40% of the permanent disability pension for a total disability the deceased received or was entitled to receive is paid to dependent parents or grandparents.

The maximum combined survivor pension is 80% of the permanent disability pension for a total disability the deceased received or was entitled to receive.

**Funeral grant:** A lump sum of 100% of the deceased's monthly earnings is paid.

Benefit adjustment: Benefits are not regularly adjusted.

### **Administrative Organization**

Ministry of Social Affairs and Labor (MAST) provides general supervision.

Social Insurance Institute, managed by a tripartite board and a director general, administers the program through its Office of Work Accidents and Sickness and Maternity Insurance (<http://www.ofatma.gouv.ht/>).

The Social Insurance Institute operates its own clinics and hospital in Port-au-Prince.

## Honduras

Exchange rate: US\$1.00 = 23.50 lempiras.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1957 (social insurance); 1959 (social security), implemented in 1971; and 2015 (social protection system).

**Type of program:** Social insurance and mandatory individual account system.

#### Coverage

**Social insurance:** Salaried workers in public- and private-sector enterprises, civil servants, forestry workers, most agricultural workers, and apprentices.

Voluntary coverage for self-employed persons; household workers; employers and agricultural workers without coverage; members of cooperatives, and recognized workers and farmer's associations; and occasional and temporary workers.

Special systems for military personnel, executive branch employees, teachers and professors, and employees of the National Autonomous University of Honduras.

**Mandatory individual account:** Salaried workers in public- and private-sector enterprises, civil servants, forestry workers, most agricultural workers, and apprentices, with monthly earnings above 8,882.30 lempiras.

Voluntary coverage for persons with monthly earnings up to 8,882.30 lempiras.

#### Source of Funds

##### Insured person

**Social insurance:** 2.5% of monthly covered earnings.

The maximum monthly earnings used to calculate contributions are 8,882.30 lempiras.

**Mandatory individual account:** 1.5% of monthly covered earnings.

The minimum monthly earnings used to calculate contributions are 8,882.31 lempiras.

##### Self-employed person

**Social insurance:** 4% of estimated earnings.

The maximum monthly earnings used to calculate contributions are 8,882.30 lempiras.

**Mandatory individual account:** A contribution is paid.

The minimum monthly earnings used to calculate contributions are 8,882.31 lempiras.

##### Employer

**Social insurance:** 3.5% of monthly covered payroll.

The maximum monthly earnings used to calculate contributions are 8,882.30 lempiras.

**Mandatory individual account:** 1.5% of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are 8,882.31 lempiras.

##### Government

**Social insurance:** At least 0.5% of the total insured person and employer contributions; contributes as an employer.

**Mandatory individual account:** None; contributes as an employer.

The minimum monthly earnings used to calculate contributions are 8,882.31 lempiras.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 65 (men) or age 60 (women) with at least 180 months of contributions.

Employment must cease.

Deferred pension: The pension may be deferred.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

**Old-age settlement (social insurance):** Age 65 (men) or age 60 (women) with less than 180 months of contributions.

**Old-age benefit (mandatory individual account):** At any age with at least five years of contributions.

Early old-age benefit: The insured has less than five years of contributions.

**Disability pension (social insurance):** Must have at least a 65% assessed loss of earning capacity for the usual occupation and at least 36 months of contributions in the last six years; eight months of contributions in the last 24 months for a nonoccupational accident.

Constant-attendance supplement: Must have at least a 51% assessed degree of disability and require the constant attendance of others to perform daily functions.

**Disability settlement (social insurance):** Must be assessed with a disability and not meet the contribution requirements for the disability pension.

**Survivor pension (social insurance):** For a death resulting from an illness, the deceased must have at least 36 months of contributions in the last six years; for a death resulting from a nonoccupational accident, must have eight months of contributions in the 24 months before death.

Eligible survivors include a widow(er) or partner aged 65 or older or with a disability, and children younger than age 14 (age 18 if a student, no limit if disabled); if there is no widow(er), partner, or orphan, a mother of any age and a father older than age 65 or with a disability.

The widow(er)'s pension ceases upon remarriage.

Remarriage settlement: Paid when the widow(er) or partner remarries.

**Survivor settlement (mandatory individual account):** Paid if an insured person dies. There is no minimum contribution period.

Eligible survivors include designated beneficiaries or, in their absence, the deceased's legal heirs.

**Funeral grant (social insurance):** The deceased must have been employed at the time of death, been receiving an old-age or disability pension, or had at least one month of contributions in the six months before death.

### Old-Age Benefits

**Old-age pension (social insurance):** 40% of the insured's basic monthly earnings plus 1% of basic monthly earnings for each 12-month period of contributions exceeding 60 months is paid.

Basic monthly earnings are the insured's average monthly earnings in the 180 months before the month of entitlement.

Deferred pension: An additional 3% of the insured's basic monthly earnings is paid for each year of contributions after the normal retirement age.

The minimum monthly old-age pension is 50% of the insured's basic monthly earnings or 1,500 lempiras, whichever is greater.

The maximum monthly old-age pension is 80% of the insured's basic monthly earnings.

Constant-attendance supplement: Up to 50% of the old-age pension is paid.

**Old-age settlement (social insurance):** The insured person's contributions are refunded as a lump sum.

**Old-age benefit (mandatory individual account):** Up to the total account balance may be paid as programmed withdrawals or a lump sum.

Early old-age benefit: Up to the total account balance, minus an early withdrawal fee, may be paid as programmed withdrawals or a lump sum.

### Permanent Disability Benefits

**Disability pension (social insurance):** For a total (100%) disability, 40% of the insured's basic monthly earnings plus 1% of basic monthly earnings for each 12-month period of contributions exceeding 60 months is paid.

Basic monthly earnings are the insured's average monthly earnings in the 180 months before the month of entitlement,

or the average monthly earnings during the months with contributions if the insured has less than 180 months of contributions.

The minimum monthly disability pension is 50% of the insured's basic monthly earnings or 1,500 lempiras, whichever is greater.

The maximum monthly disability pension is 80% of the insured's basic monthly earnings.

Constant-attendance supplement: Up to 50% of the disability pension is paid.

Partial disability: For an assessed degree of disability of less than 100%, the benefit is the total disability pension multiplied by the assessed degree of disability.

**Disability settlement (social insurance):** The insured person's contributions are refunded as a lump sum.

### Survivor Benefits

#### Survivor pension (social insurance)

*Spouse's pension:* 40% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er) or partner.

The minimum monthly spouse's pension is 600 lempiras.

Remarriage settlement: A lump sum of 12 months of the spouse's pension is paid to an eligible widow(er) or partner.

*Orphan's pension:* 20% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each eligible child; 40% for a full orphan.

The minimum monthly orphan's pension is 300 lempiras.

*Dependent parent's pension:* If there is no eligible widow(er), partner, or orphan, 20% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each eligible parent.

The minimum monthly dependent parent's pension is 300 lempiras.

The maximum combined survivor pension is 100% of the social insurance old-age or disability pension the deceased received or was entitled to receive.

**Survivor settlement (mandatory individual account):** A lump sum of the deceased's total account balance is split among eligible survivors.

**Funeral grant (social insurance):** A lump sum of two times the lowest legal monthly minimum wage is paid.

The lowest legal monthly minimum wage is 5,869.79 lempiras.

### Administrative Organization

Secretariat of Labor and Social Security (<http://www.trabajo.gob.hn/>) provides general supervision.

## Honduras

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National Commission on Banking and Insurance (CNBS) (<http://www.cnbs.gob.hn/>) provides financial supervision.

Social Security Institute (<http://ihss.hn/>), managed by a board of directors and director general, administers and collects contributions for the social insurance program.

Pension Fund Administrators (Administradoras de Fondo de Pensiones) administer the mandatory individual account program.

### Sickness and Maternity

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#### Regulatory Framework

**First and current laws:** 1957 (social insurance); 1959 (social security), implemented in 1971; and 2015 (social protection system).

**Type of program:** Social insurance and employer-liability system.

#### Coverage

**Cash sickness benefit (social insurance):** Public-sector employees and employees of firms in industry and commerce with one or more workers; old-age and disability pensioners; and unemployed persons.

Exclusions: Self-employed persons; and household, agricultural, family, and temporary workers.

**Cash maternity benefit (social insurance):** Public-sector employees and employees of firms in industry and commerce with one or more workers; self-employed persons; and disability pensioners.

Exclusions: Unemployed persons; and agricultural, family, and temporary workers.

**Cash maternity benefit (social insurance and employer liability):** Employed women.

Exclusion: Self-employed women.

**Medical benefits (social insurance):** Public-sector employees and employees of firms in industry and commerce with one or more workers; old-age and disability pensioners; unemployed persons; self-employed persons; and household workers.

Exclusions: Agricultural and temporary workers.

Coverage is gradually being extended to all regions of the country.

#### Source of Funds

##### Insured person

**Social insurance:** 2.5% of covered earnings.

The monthly earnings used to calculate contributions are subject to a minimum.

The maximum monthly earnings used to calculate contributions are 8,103.38 lempiras.

The insured person's contributions also finance work injury benefits.

**Employer liability:** None.

##### Self-employed person

**Social insurance:** 7% of estimated earnings; 2% of estimated earnings for persons assessed as needy.

The monthly earnings used to calculate contributions are subject to a minimum and a maximum.

**Employer liability:** Not applicable.

##### Employer

**Social insurance:** 5% of covered payroll.

The monthly earnings used to calculate contributions are subject to a minimum.

The maximum monthly earnings used to calculate contributions are 8,103.38 lempiras.

**Employer liability:** The total cost.

##### Government

**Social insurance:** 0.5% of the total insured person and employer contributions from the previous year; subsidizes contributions for needy self-employed persons; contributes as an employer.

The monthly earnings used to calculate contributions are subject to a minimum.

The maximum monthly earnings used to calculate contributions are 8,103.38 lempiras.

**Employer liability:** None; contributes as an employer.

#### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have at least two months of contributions in the four months before the incapacity began. Unemployed persons must have at least 35 days of contributions in the three months before unemployment.

**Cash maternity benefit (social insurance and employer liability):** Must have at least 10 months of contributions immediately before the start of the maternity leave.

**Medical benefits (social insurance):** Must be in insured employment or unemployed with at least 35 days of coverage in the three months before unemployment. For maternity medical benefits, must have at least 10 months of contributions immediately before the expected date of childbirth or at least 12 months of contributions in the last 18 months. For children's medical benefits, the insured must have at least 35 days of contributions in the three months before the incapacity began.

#### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 66% of the insured's earnings in the last three months (50% if hospitalized and



without dependents) is paid after a three-day waiting period for up to 26 weeks; may be extended to 52 weeks.

The labor code requires employers to provide sick leave to employees not covered by social insurance.

**Maternity benefit (social insurance and employer liability):** 100% of the insured's earnings in the last three months is paid for 42 days before and 42 days after the expected date of childbirth. (The Social Security Institute pays 66% of the cost and the employer pays the remaining 34%.)

The labor code requires employers to provide maternity leave to employees not covered by social insurance.

### **Workers' Medical Benefits**

Social Security Institute health facilities provide medical services directly to patients. Benefits include general and specialist care, surgery, hospitalization, necessary medicine, laboratory services, appliances, dental care, and maternity care including postpartum care for up to 45 days; may be extended up to a total of 26 weeks.

The duration of benefits is dependent on continuing to meet the contribution requirements. If the insured is unemployed, benefits are limited to 30 days.

### **Dependents' Medical Benefits**

Benefits include maternity care for the insured's wife or partner, including postpartum care for up to 45 days; pediatric care for the insured's children up to age 18 or for children of unemployed persons if the illness occurs in the two months immediately after the unemployment began.

### **Administrative Organization**

Secretariat of Labor and Social Security (<http://www.trabajo.gob.hn/>) provides general supervision.

Social Security Institute (<http://ihss.hn/>), managed by a board of directors and director general, administers the program.

Social Security Institute operates its own hospitals and outpatient clinics and contracts with private clinics, including in cities without public facilities.

### **Work Injury**

#### **Regulatory Framework**

**First and current laws:** 1959 (social security), implemented in 1971, and 2015 (social protection system).

**Type of program:** Employer-liability system through a public or private carrier.

#### **Coverage**

Public-sector employees and employees of firms in industry and commerce with one or more workers in specified regions; and certain self-employed persons.

Voluntary coverage is available.

Exclusions: Most self-employed persons and agricultural, household, family, and temporary workers.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** The total cost (pays insurance premiums).

**Employer:** The total cost (pays insurance premiums).

**Government:** None.

### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period. An insured person who becomes unemployed must prove that the illness or incapacity is work-related and began no more than two months after employment ceased.

**Survivor benefits:** The deceased must have worked for at least a month in covered employment.

### **Temporary Disability Benefits**

For an assessed degree of disability of 15% or less, 66% of the insured's daily wage is paid after a three-day waiting period for up to 26 weeks until recovery, certification of permanent disability, or death. The benefit may be extended for up to 52 weeks.

For an assessed degree of disability of at least 16%, a permanent disability pension is paid.

The daily wage used to calculate benefits is subject to a maximum.

### **Permanent Disability Benefits**

**Permanent disability pension:** For an assessed degree of disability of at least 66%, 70% of the insured's basic monthly earnings is paid.

Basic monthly earnings are the insured's average monthly earnings in the month before the disability began.

Constant-attendance supplement: Up to 50% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: For an assessed degree of disability of 16% to 65%, a percentage of the full permanent disability pension is paid according to the assessed degree of disability.

### **Workers' Medical Benefits**

Benefits include medical, surgical, and hospital care; medicine; and appliances.

## Survivor Benefits

### Survivor pension

*Spouse's pension:* 40% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow(er) older than age 65 or with a disability.

*Orphan's pension:* 20% of the permanent disability pension the deceased received or was entitled to receive is paid to each child younger than age 14 (age 18 if a student, no limit if disabled); 40% for a full orphan.

*Dependent parent's pension:* If there is no eligible widow(er) or orphan, 20% of the permanent disability pension the deceased received or was entitled to receive is paid to a mother of any age or a father older than age 65 or with a disability.

The maximum combined survivor pension is 100% of the permanent disability pension the deceased received or was entitled to receive.

**Funeral grant:** A lump sum of two times the lowest legal monthly minimum wage is paid.

The lowest legal monthly minimum wage is 5,869.79 lempiras.

### Administrative Organization

Secretariat of Labor and Social Security (<http://www.trabajo.gob.hn/>) provides general supervision.

Social Security Institute (<http://ihss.hn/>), managed by a board of directors and director general, administers the program.

Social Security Institute operates its own outpatient clinics and hospitals.

## Unemployment

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### Regulatory Framework

**First and current law:** 2015 (social protection system).

**Type of program:** Mandatory individual account and employer-liability system.

### Coverage

Persons employed in firms with at least 10 employees; persons employed in firms with less than 10 employees (starting in 2018).

Exclusions: Self-employed persons.

### Source of Funds

#### Insured person:

*Mandatory individual account:* None.

*Employer liability:* None.

#### Self-employed person

*Mandatory individual account:* Not applicable.

*Employer liability:* Not applicable.

#### Employer

*Mandatory individual account:* 1.32% of covered payroll (0.66% of covered payroll for employers with less than 10 employees, as of January 2018).

The monthly earnings used to calculate contributions are subject to a minimum.

The maximum monthly earnings used to calculate contributions are three times the highest legal monthly minimum wage.

The legal monthly minimum wage varies according to the industry and the size of the company.

The employer's contributions cease when the individual account balance reaches 50% of the maximum severance payable (25 months of the insured's monthly salary).

*Employer liability:* The total cost.

#### Government:

*Mandatory individual account:* None.

*Employer liability:* None.

### Qualifying Conditions

**Severance benefit (mandatory individual account and employer liability):** Must have at least three months of service.

### Unemployment Benefits

**Severance benefit (mandatory individual account and employer liability):** The labor code requires employers to provide severance in cases of unfair dismissal. The benefit is 10 days of the employee's pay with three to six months of service; 20 days of pay with at least six but less than 12 months of service; and one month of pay with at least one year of service and for each 12-month period of service exceeding one year, up to 25 years (up to 15 months for companies with less than 10 employees).

The individual account balance finances 50% of the severance benefit. (The insured may make authorized withdrawals from the mandatory individual severance account for housing and certain other debts.) The employer finances the remaining 50% of the severance benefit.

### Administrative Organization

National Commission of Banks and Insurance (CNBS) (<http://www.cnbs.gob.hn/>) provides general supervision.

Individual pension and severance fund administrators administer the individual accounts and collect contributions.

## **Family Allowances**

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### **Regulatory Framework**

**First and current law:** 2010 (family cash transfer).

**Type of program:** Social assistance system.

### **Coverage**

Needy families.

### **Source of Funds**

**Insured person:** None.

Self-employed person: None.

Employer: None.

Government: The total cost.

### **Qualifying Conditions**

**Family cash transfer (Bono Vida Mejor, means tested):** Paid to households with children up to age 18 and pregnant women. Must be assessed as living in extreme poverty by

the National Center of Information on the Social Sector (CENISS) and be registered in the Unified Registry of Participants (RUP).

Must have regular medical check-ups and comply with school enrollment and attendance requirements.

### **Family Allowance Benefits**

#### **Family cash transfer (Bono Vida Mejor, means tested):**

A benefit is paid that varies according to the number of children, their age and school grade, and whether the household is in an urban or rural area.

The basic annual benefit per household is 1,020 lempiras for urban beneficiaries; 2,040 for beneficiaries in rural areas.

Schedule of payments: The benefit is paid every three or four months, according to the location (except under special arrangements).

### **Administrative Organization**

Secretariat of Development and Social Inclusion (SEDIS) (<https://sedis.gob.hn/>) administers the program.

## Jamaica

Exchange rate: US\$1.00 =  
128.00 Jamaican dollars (J\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1965 (national insurance).

**Type of program:** Social insurance system.

Note: Noncontributory (social assistance) old-age and disability benefits exist under the PATH cash transfer program; see Family Allowances.

#### Coverage

Employed and self-employed persons.

Voluntary coverage is available.

Exclusions: Casual workers and unpaid family labor.

#### Source of Funds

**Insured person:** 2.5% of covered earnings; J\$100 a week for household workers and the voluntarily insured.

There is no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are J\$1,500,000. (There are no maximum earnings used to calculate contributions for household workers.)

The insured person's contributions also finance cash maternity benefits (household workers only) and medical benefits.

Contributions are paid weekly, monthly, or quarterly, depending on the category of employment.

**Self-employed person:** 5% of annual covered earnings.

The minimum weekly contribution is J\$100.

The maximum annual earnings used to calculate contributions are J\$1,500,000.

The self-employed person's contributions also finance medical benefits.

**Employer:** 2.5% of covered payroll; J\$100 a week for household workers.

There is no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are J\$1,500,000. (There are no maximum earnings used to calculate contributions for household workers.)

The employer's contributions also finance cash maternity benefits (household workers only), medical benefits, and work injury benefits.

**Government:** None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension:** Age 65 with at least 520 weeks of paid contributions, with an annual average of 10 weeks of paid or credited contributions during the working lifetime.

Contributions are credited for each contributory week the insured received disability or work injury benefits.

Spouse's supplement: Paid for a dependent spouse aged 55 or older (women) or aged 60 or older (men) who has been married to the insured for at least three years and does not receive any social insurance benefit.

Contributions can be made up to age 70.

**Old-age grant:** Age 65 with at least 52 weeks of paid contributions but does not meet the contribution requirements for an old-age pension.

Old-age benefits are payable abroad on request if the insured resides abroad.

**Disability pension:** Must be assessed with a permanent incapacity for work of at least 10% and have at least 156 weeks of paid contributions, with an annual average of 10 weeks of paid or credited contributions during the working lifetime.

Contributions are credited for each contributory week the insured received disability or work injury benefits.

Spouse's supplement: Paid for a dependent spouse aged 55 or older (women) or aged 60 or older (men) who has been married to the insured for at least three years and does not receive any social insurance benefit.

An independent medical advisor appointed by the Ministry of Labor and Social Security assesses the disability and recommends the frequency of any reassessment of the disability.

**Disability grant:** Must be assessed with a permanent incapacity for work of at least 10% and have less than 156 weeks of paid contributions.

An independent medical advisor appointed by the Ministry of Labor and Social Security assesses the disability.

Disability benefits are payable abroad.

**Survivor pension:** The deceased received or was entitled to receive an old-age or disability pension or had at least 156 weeks of paid contributions and an annual average of at least 13 weeks of paid or credited contributions at the time of death.

Contributions are credited for each contributory week the deceased received disability or work injury benefits.

Eligible survivors include a widow(er) and full orphans younger than age 18. Widow(er)s may also receive benefits based on their own earnings record. The widow(er) must have been married to the deceased for at least three years

or cohabited with the deceased for at least five years at the time of death.

The widow(er)'s pension ceases upon remarriage or entering into a common-law relationship.

Remarriage settlement: Paid when the widow(er) or partner remarries or enters into a new common-law relationship.

Survivor benefits are payable abroad on request if the survivor resides abroad.

**Survivor grant:** The deceased did not meet the contribution requirements for an old-age or disability pension but had at least 52 weeks of paid contributions.

Eligible survivors include a widow(er) aged 55 or older, permanently incapable of work, or caring for children younger than age 18; a widow who is pregnant with the deceased's child; and full orphans younger than age 18. The widow(er) must have been married to the deceased for at least three years or cohabited with the deceased for at least five years at the time of death.

**Special child's benefit:** Paid to a guardian caring for an extramarital child younger than age 18 who is orphaned if the child's deceased mother received or was entitled to receive an old-age or disability pension and the child's father is deceased, cannot be identified, or his whereabouts are unknown; a lump sum is paid if the child's deceased mother was not entitled to receive an old-age or disability pension but had at least 52 weeks of paid contributions.

**Funeral grant:** The deceased or the deceased's spouse received or was entitled to receive an old-age or disability pension at the time of death.

### Old-Age Benefits

**Old-age pension:** A basic benefit of J\$2,800 a week is paid if the insured had an annual average of 39 weeks of paid or credited contributions (reduced to J\$2,100 a week with 26 to 38 weeks and to J\$1,400 a week with 10 to 25 weeks) plus an earnings-related benefit of J\$0.06 a week for every J\$13 of employee or employer contributions paid during the working lifetime.

Spouse's supplement: J\$900 a week is paid.

**Old-age grant:** A lump sum of J\$50,000 is paid.

### Permanent Disability Benefits

**Disability pension:** J\$320 to J\$3,200 a week is paid for an assessed degree of disability of 10% to 100%, according to the degree of disability.

Spouse's supplement: J\$900 a week is paid.

**Disability grant:** A lump sum of J\$50,000 is paid.

## Survivor Benefits

### Survivor pension

**Spouse's pension:** The old-age pension the deceased received or was entitled to receive is paid.

The pension is paid for life to a widow(er) aged 55 or older or permanently incapable of work; until the youngest child reaches age 18 to a widow(er) caring for children younger than age 18 or a widow pregnant with the deceased's child; or for one year to a widow(er) younger than age 55 without children.

Remarriage settlement: A lump sum of 12 months of the spouse's pension is paid.

**Orphan's pension:** J\$4,900 a week is paid.

### Survivor grant

**Spouse's grant:** A lump sum of J\$50,000 is paid.

**Orphan's grant:** A lump sum of J\$55,000 is paid.

**Special child's benefit:** J\$4,900 a week is paid; a lump sum of J\$55,000 is paid if the child's deceased mother was not entitled to receive an old-age or disability pension.

**Funeral grant:** A lump sum of J\$80,000 is paid to the person who paid for the entire cost of the funeral.

## Administrative Organization

Ministry of Labour and Social Security (<http://www.mlss.gov.jm/>) administers the program through its National Insurance Division and local offices.

Tax Administration Jamaica (<https://www.jamaicatax.gov.jm/>) collects contributions.

## Sickness and Maternity

### Regulatory Framework

**First and current laws:** 1947 (sick leave), implemented in 1973; 1965 (national insurance); 1979 (maternity leave); and 2003 (medical benefits).

**Type of program:** Universal (medical benefits), social insurance (cash maternity and medical benefits), and employer-liability (cash sickness and maternity benefits) system.

### Coverage

**Universal (medical benefits):** Residents of Jamaica.

**Social insurance (cash maternity benefit):** Household workers who reside in Jamaica.

Exclusions: Self-employed and salaried women.

**Social insurance (medical benefits):** Social insurance pensioners.



**Employer liability (cash sickness benefit):** Employed persons, including casual workers.

Exclusions: Certain company managers and self-employed persons.

**Employer liability (cash maternity benefit):** Employed persons, including casual workers.

Exclusions: Self-employed persons.

### Source of Funds

#### Insured person

*Universal and social insurance:* See source of funds under Old Age, Disability, and Survivors.

*Employer liability:* None.

#### Self-employed person

*Universal and social insurance:* See source of funds under Old Age, Disability, and Survivors.

*Employer liability:* Not applicable.

#### Employer

*Universal and social insurance:* See source of funds under Old Age, Disability, and Survivors.

*Employer liability:* The total cost.

#### Government

*Universal and social insurance:* See source of funds under Old Age, Disability, and Survivors. The universal medical benefits are also partially financed by earmarked taxes on tobacco and alcohol.

Note: The total cost of public health care is financed through general taxation.

*Employer liability:* None; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit (employer liability):** Must have at least 110 days of employment.

**Cash maternity benefit for household workers (social insurance):** Must have at least 26 weeks of paid contributions in the 52 weeks before the expected date of childbirth.

**Cash maternity benefit (employer liability):** Must have at least 52 weeks of continuous employment before the expected date of childbirth and provide employer notice of intention to take maternity leave. The employer may request a medical certificate.

**Medical benefits for chronic diseases (National Health Fund, universal):** There is no minimum qualifying period. Must be diagnosed with one of 16 chronic diseases.

**Medical benefits (National Insurance Gold, social insurance):** The insured receives a contributory pension.

### Sickness and Maternity Benefits

**Sickness benefit (employer liability):** 100% of the employee's normal wages is paid for up to 10 days per year (Pro-rated for casual workers)

**Maternity benefit for household workers (social insurance):** 100% of the national legal weekly minimum wage is paid for eight weeks from the time the claim was made or from the date of childbirth, whichever is later. The claim can be made from 11 weeks before the expected date of childbirth to six months after childbirth.

The national legal weekly minimum wage is J\$6,200.00.

**Maternity benefit (employer liability):** 100% of the employee's normal wages is paid for eight weeks.

### Workers' Medical Benefits

**Medical benefits for chronic diseases (National Health Fund, universal):** Partial subsidy for approved prescribed medicine for specified chronic illnesses.

Note: Public dispensaries and hospitals provide medical care free or at a nominal cost.

**Medical benefits (National Insurance Gold, social insurance):** Benefits include medical treatment, surgery, hospitalization, prescribed medicine, and laboratory services, up to a maximum according to a schedule.

### Dependents' Medical Benefits

**Medical benefits for chronic diseases (National Health Fund, universal):** Medical benefits for dependents are the same as those for the insured.

Note: Public dispensaries and hospitals provide medical care free or at a nominal cost.

### Administrative Organization

Ministry of Labor and Social Security (<http://www.mlss.gov.jm/>) provides general supervision for cash sickness and maternity benefits and administers social insurance cash maternity benefits through its National Insurance Division.

Tax Administration Jamaica (<https://www.jamaicatax.gov.jm/>) collects contributions.

National Health Fund (<http://www.nhf.org.jm/>) administers medical benefits.

### Work Injury

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#### Regulatory Framework

**First law:** 1938 (workmen's compensation).

**Current law:** 1965 (national insurance), implemented in 1970.

**Type of program:** Social insurance system.

## Coverage

Employed persons.

Exclusions: Household workers, self-employed persons, and military personnel.

## Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** None; contributes as an employer.

## Qualifying Conditions

Must be assessed with a work injury or occupational disease.

## Temporary Disability Benefits

J\$3,200 a week is paid for any continuous period of work incapacity of four days or more, for up to 52 weeks.

## Permanent Disability Benefits

**Permanent disability pension:** J\$320 to J\$3,200 a week is paid for an assessed degree of disability of 10% to 100%, according to the degree of disability.

A medical board assesses the disability.

## Workers' Medical Benefits

Benefits include necessary medical and surgical treatment, rehabilitation, appliances, hospitalization, and medicine.

## Survivor Benefits

**Survivor benefit:** J\$3,200 a week is paid for 52 weeks to a widow(er) of any age; if there is no widow(er), to the guardian of the deceased's children younger than age 18.

**Funeral grant:** A lump sum of J\$80,000 is paid to the person who paid for the entire cost of the funeral.

## Administrative Organization

Ministry of Labor and Social Security (<http://www.mlss.gov.jm/>) administers the program through its National Insurance Division and local offices.

Tax Administration Jamaica (<https://www.jamaicatax.gov.jm/>) collects contributions.

## Unemployment

### Regulatory Framework

Under the 1974 Employment (Termination and Redundancy Payments) Act, employers must provide severance pay in cases of redundancy to employees with at least 104 weeks

of continuous employment. The benefit is two weeks of the employee's pay for each year of continuous employment up to 10 years; three weeks of pay for each year of continuous employment exceeding 10 years.

## Family Allowances

### Regulatory Framework

**First and current law:** 1886 (poor relief).

**Type of program:** Social assistance system.

### Coverage

Low-income and vulnerable persons.

### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### Qualifying Conditions

**Family cash transfer (Programme for Advancement through Health and Education (PATH), social assistance, means tested):** Paid for children from birth to completion of secondary education, pregnant women and nursing mothers, persons with disabilities, poor adults aged 18 to 59, and persons aged 60 or older who are not receiving any pension.

School-age children must maintain an 85% attendance level at school.

Pregnant and lactating women and children aged younger than age 6 (72 months) must make regular visits to health centers.

### Family Allowance Benefits

**Family cash transfer (Programme for Advancement through Health and Education (PATH), social assistance, means tested):** J\$1,300 a month is paid for each child younger than age 6; J\$1,350 to J\$2,100 a month for each school-aged child, according to grade level; J\$1,600 a month for a pregnant woman, nursing mother, person with disabilities, or poor adult; and J\$2,250 for a person aged 60 or older.

A minimum grant of J\$600 a month is paid if the beneficiaries do not meet the school attendance or medical requirements.

Eligible persons are also entitled to receive in-kind benefits, including free school lunches, exemption from secondary school tuition fees, and free medical care at public health centers and hospitals.

***Administrative Organization***

Public Assistance Division of the Ministry of Labor and Social Security (<http://www.mlss.gov.jm/pub/index.php/>) assesses eligibility and administers the program.

## Mexico

Exchange rate: US\$1.00 = 18.03 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1943 (social insurance).

**Current laws:** 1973 (social insurance); 1995 (individual account), implemented in 1997; and 2004 (social development).

**Type of program:** Mandatory individual account, social insurance, and social assistance system.

#### Coverage

**Mandatory individual account and social insurance:** Private-sector employees and members of cooperatives.

At retirement or in case of disability, private-sector employees covered by the social insurance system before July 1, 1997, can choose to receive benefits from either the social insurance system or the mandatory individual account system. (The government receives the account balances and pays benefits for workers who opt for social insurance benefits.)

Voluntary coverage for family workers, certain self-employed persons and unpaid workers, household workers, employers, tenant and community farmers, small landowners, and public-sector employees who are not covered under any other scheme.

Special social insurance systems for petroleum workers, certain public-sector employees, and military personnel.

**Social assistance:** Legal residents of Mexico.

#### Source of Funds

##### Insured person

**Mandatory individual account and social insurance:** 1.125% of covered earnings (old age) plus 0.625% (disability and survivors).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA (Unidad de Medida y Actualización).

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

The insured person's contributions also finance the marriage grant under Family Allowances.

**Social assistance:** None.

##### Self-employed person

**Mandatory individual account and social insurance:** 6.275% of the legal daily minimum wage (old age) plus 2.375% (disability and survivors).

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

The self-employed person's contributions also finance the marriage grant under Family Allowances.

**Social assistance:** None.

##### Employer

**Mandatory individual account and social insurance:** 5.15% of covered payroll (old age) plus 1.75% (disability and survivors).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA (Unidad de Medida y Actualización).

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

The employer's contributions also finance the marriage grant under Family Allowances.

**Social assistance:** None.

##### Government

**Mandatory individual account and social insurance:** 0.225% of covered earnings plus an average flat-rate daily amount of 4.63 pesos (2016) to the individual account for insured persons with earnings up to 15 times the legal monthly minimum wage (old age); 0.125% of covered earnings (disability and survivors); the total cost of the guaranteed minimum pension.

**Social assistance:** The total cost.

#### Qualifying Conditions

##### Old-age pension (mandatory individual account):

Age 65 with at least 1,250 weeks of contributions; with less than 1,250 weeks of contributions, the insured may continue contributing or receive a lump-sum benefit.

Early pension: At any age if the account balance is sufficient to provide a pension of at least 30% of the legal monthly minimum pension and any survivor pensions.

Unemployed worker's old-age pension: Age 60 with at least 1,250 weeks of contributions and unable to find suitable

paid employment; with less than 1,250 weeks of contributions, the insured may receive a lump-sum benefit.

**Guaranteed minimum pension:** Aged 60 to 65 with at least 1,250 weeks of contributions, and the individual account balance is insufficient to finance the legal monthly minimum pension.

**Dependent's supplement:** Paid in addition to the individual account old-age pension or individual account unemployed worker's old-age pension for a spouse or partner, each child up to age 16 (age 25 if a student, no limit if disabled), or dependent parents (if the pensioner has no spouse, partner, or child).

The legal monthly minimum pension is 2,574.72 pesos.

Benefits are payable abroad under reciprocal agreement. The insured must pay the corresponding administrative costs. If leaving Mexico permanently, the pensioner may request a lump sum of two years of the pension.

**Old-age pension (social insurance):** Age 65 with at least 500 weeks of contributions.

Employment must cease.

**Unemployed worker's old-age pension:** Age 60 with at least 500 weeks of contributions and unable to find suitable paid employment.

**Dependent's supplement:** Paid in addition to the social insurance old-age pension or social insurance unemployed worker's old-age pension for a spouse or partner, each child up to age 16 (age 25 if a student, no limit if disabled), or dependent parents (if the insured has no spouse, partner, or child).

**Constant-attendance allowance:** Paid if the insured requires the constant attendance of others to perform daily functions.

Benefits are payable abroad under reciprocal agreement. The insured must pay the corresponding administrative costs. If leaving Mexico permanently, the pensioner may request a lump sum of two years of the pension.

**Old-age social pension (Pensión para Adultos Mayores, social assistance, income tested):** Age 65 and not receiving a social insurance or individual account pension or a Prospera cash grant (see Family Allowances) greater than 1,092 pesos a month.

**Disability pension (mandatory individual account):** Must have at least a 75% assessed loss of normal earning capacity and at least 150 weeks of contributions; at least 250 weeks with a 50% to 74% assessed loss of normal earning capacity.

**Dependent's supplement:** Paid in addition to the individual account disability pension for a spouse or partner, each child up to age 16 (age 25 if a student, no limit if disabled), or dependent parents (if the insured has no spouse, partner, or child).

**Constant-attendance allowance:** Paid if the insured requires the constant attendance of others to perform daily functions.

**Guaranteed minimum pension:** Must meet the contribution requirements for an individual account disability pension and have an account balance that is insufficient to finance the legal monthly minimum pension.

The legal monthly minimum pension is 2,574.72 pesos.

Benefits are payable abroad under reciprocal agreement. The insured must pay the corresponding administrative costs. If leaving Mexico permanently, the pensioner may request a lump sum of two years of the pension.

**Disability pension (social insurance):** Must have at least a 50% assessed loss of normal earning capacity and at least 150 weeks of contributions. The insured may continue to work in a different job and with a different employer after a six-month waiting period.

**Dependent's supplement:** Paid in addition to the social insurance disability pension for a spouse or partner, each child up to age 16 (age 25 if a student, no limit if disabled), or dependent parents (if the pensioner has no spouse, partner, or child).

**Constant-attendance allowance:** Paid if the insured requires the constant attendance of others to perform daily functions.

Mexican Social Security Institute assesses the level of reduced earning capacity.

Benefits are payable abroad under reciprocal agreement. The insured must pay the corresponding administrative costs. If leaving Mexico permanently, the pensioner may request a lump sum of two years of the pension.

**Survivor pension (mandatory individual account and social insurance):** The deceased received or was entitled to receive an old-age or disability pension or had at least 150 weeks of contributions at the time of death. The death must not be the result of an occupational injury.

Eligible survivors include a widow(er) or cohabiting partner with children; a widow(er) without children who was married to the deceased for at least six months if the deceased was younger than age 55 at the time of marriage; at least 12 months if the deceased was aged 55 or older at the time of marriage or if the deceased received or was entitled to receive an old-age or disability pension. Other eligible survivors include a cohabiting partner without children who lived with the deceased for at least five years; children up to age 16 (age 25 if a student; no limit if disabled); and parents if there are no other eligible survivors. All eligible survivors must have been dependent on the deceased.

**Constant-attendance allowance:** Paid if the insured requires the constant attendance of others to perform daily functions.

The spouse's pension ceases upon remarriage or cohabitation.



Remarriage settlement: Paid to a widow(er) or partner upon remarriage or cohabitation.

Benefits are payable abroad under reciprocal agreement. The insured must pay the corresponding administrative costs. If leaving Mexico permanently, the pensioner may request a lump sum of two years of the pension.

**Funeral grant (social insurance):** The deceased had at least 12 weeks of contributions in the last nine months or received or was entitled to receive an old-age or disability pension at the time of death.

**Survivor grant (Pensión para Adultos Mayores, social assistance):** Paid to a beneficiary named by the deceased if the deceased was receiving an old-age social pension.

### Old-Age Benefits

**Old-age pension (mandatory individual account):** If the account balance is sufficient to provide a pension of at least 30% of the guaranteed minimum pension, the insured has two different payment options: make programmed withdrawals or purchase an annuity. If the account balance is insufficient, the guaranteed minimum pension is paid.

Early pension: The insured has two different payment options: make programmed withdrawals or purchase an annuity.

Unemployed worker's old-age pension: Calculated in the same way as the individual account old-age pension.

Guaranteed minimum pension: The difference between the account balance and the legal monthly minimum pension is paid.

The legal monthly minimum pension is 2,574.72 pesos.

Dependent's supplement: 15% of the individual account old-age pension is paid for a wife or partner; 10% for each eligible child; and 10% for each dependent parent.

Benefit adjustment: Benefits are adjusted annually in February according to changes in the price index.

**Old-age pension (social insurance):** A variable percentage (inversely proportional to earnings) of the insured's average earnings used to calculate the last 250 weeks of contributions is paid plus an increment for each year of contributions exceeding 500 weeks.

Unemployed worker's pension: Calculated in the same way as the social insurance old-age pension.

The minimum monthly pension is 2,434.55 pesos.

Dependent's supplement: 15% of the social insurance old-age pension is paid for a wife or partner; 10% for each eligible child; and 10% for each dependent parent.

Constant-attendance allowance: 15% of the old-age pension is paid.

Christmas bonus: A month of the social insurance old-age pension without supplements is paid.

Benefit adjustment: Benefits are adjusted annually in February according to changes in the price index.

**Old-age social pension (Pensión para Adultos Mayores, social assistance, income tested):** 1,160 pesos is paid every two months.

### Permanent Disability Benefits

**Disability pension (mandatory individual account):** 35% of the insured's average adjusted earnings used to calculate the last 500 weeks of contributions is paid.

Dependent's supplement: 15% of the individual account disability pension is paid for a wife or partner; 10% for each eligible child; and 10% for each dependent parent.

Constant-attendance allowance: Up to 20% of the individual account disability pension is paid.

Guaranteed minimum pension: The difference between the monthly disability pension the insured is entitled to receive and the legal monthly minimum pension is paid.

The legal monthly minimum pension is 2,574.72 pesos.

Christmas bonus: A month of the individual account disability pension without supplements is paid.

Benefit adjustment: Benefits are adjusted annually in February according to changes in the price index.

If the insured is eligible for an individual account disability pension and the account balance is greater than the minimum pension, the insured may withdraw the sum exceeding the amount needed for the minimum pension, purchase an annuity, or apply the excess amount to survivor benefits.

**Disability pension (social insurance):** A variable percentage (inversely proportional to earnings) of the insured's average earnings used to calculate the last 250 weeks of contributions is paid plus an increment for each year of contributions exceeding 500 weeks.

Dependent's supplement: 15% of the social insurance disability pension is paid for a wife or partner, 10% for each eligible, and 10% for each dependent parent.

The minimum monthly pension is 2,574.72 pesos.

Constant-attendance allowance: Up to 20% of the social insurance disability pension is paid.

Christmas bonus: A month of the social insurance disability pension without supplements is paid.

Benefit adjustment: Benefits are adjusted annually in February according to changes in the price index.

### Survivor Benefits

**Survivor pension (mandatory individual account and social insurance)**

*Spouse's pension:* 90% of the old-age or disability pension the deceased received or was entitled to receive is paid.

Remarriage settlement: A lump sum of three years of the spouse's pension is paid.

Constant-attendance allowance: Up to 20% of the spouse's pension may be paid to a widow(er) or a partner.

*Orphan's pension:* 20% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible child; 30% for a full orphan. When the eligibility of an orphan ceases, he or she receives a final benefit of three months of the deceased's pension.

*Other eligible survivor's pension:* If there is no widow(er), partner, or child, 20% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible survivor.

The maximum combined survivor benefit is 100% of the disability pension the deceased received or was entitled to receive.

The amount paid may be recalculated if the number of eligible survivors changes.

**Funeral grant (social insurance):** A lump sum of 60.8 days of the daily UMA (Unidad de Medida y Actualización) is paid.

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

Benefit adjustment: Benefits are adjusted annually in February according to changes in the price index.

**Survivor grant (Pensión para Adultos Mayores, social assistance):** A lump sum of 1,160 pesos is paid.

### Administrative Organization

Secretariat for Social Development (<https://www.gob.mx/sedesol/>) oversees and coordinate the social assistance (Pensión para Adultos Mayores) program.

Mexican Social Security Institute (<http://www.imss.gob.mx/>), managed by a general assembly, technical council, oversight commission, and director general, administers the social insurance and social assistance programs and oversees the mandatory individual account program.

National Commission for the Retirement Savings System (<https://www.gob.mx/consar/>) supervises the pension fund management companies.

Individual pension fund management companies administer the individual accounts.

### Sickness and Maternity

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#### Regulatory Framework

**First law:** 1943 (social insurance).

**Current laws:** 1995 (social insurance), implemented in 1997; 2004 (social development); and 2006 (social development).

**Type of program:** Social insurance and social assistance (medical benefits only) system.

#### Coverage

**Social insurance (cash benefits):** Private-sector employees and members of cooperatives.

**Social insurance (medical benefits):** Private-sector employees and members of cooperatives.

Voluntary coverage for family workers, certain self-employed persons and unpaid workers, household workers, employers, tenant and community farmers, small landowners, and public-sector employees who are not covered under any other scheme.

**Social assistance:** Needy residents of Mexico.

#### Source of Funds

##### Insured person

*Social insurance (cash benefits):* 0.25% of monthly covered earnings.

*Social insurance (medical benefits):* 0.40% of the difference between covered earnings and three times the UMA (Unidad de Medida y Actualización) plus 0.375% of monthly covered earnings (pensioners' medical benefits).

The voluntarily insured pay 20.40% of the legal monthly minimum wage (of covered earnings for public-sector and household workers).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA.

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

*Social assistance:* None.

##### Self-employed person

*Social insurance (cash benefits):* Not applicable.

*Social insurance (medical benefits):* 20.40% of the legal monthly minimum wage, plus 1.425% of covered earnings greater than three times the legal monthly minimum wage (pensioners' medical benefits).

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

*Social assistance:* None.

##### Employer

*Social insurance (cash benefits):* 0.70% of monthly covered payroll.

**Social insurance (medical benefits):** 20.40% of the UMA (Unidad de Medida y Actualización) per employee, plus 1.1% of covered earnings greater than three times the UMA (pensioners' medical benefits).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA.

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

**Social assistance:** None.

### Government

**Social insurance (cash benefits):** 0.05% of monthly covered earnings.

**Social insurance (medical benefits):** A flat-rate contribution of 9.30 pesos a month per covered day and per insured person, plus 0.075% of monthly covered earnings (pensioners' medical benefits).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA (Unidad de Medida y Actualización).

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

**Social assistance:** The total cost.

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have at least four weeks of contributions immediately before the incapacity began; for casual workers, at least six weeks of contributions in the last four months.

Coverage for medical benefits only is extended for up to eight weeks after covered employment ceases if the insured had at least eight continuous weeks of contributions before the leave period began.

**Cash maternity benefit (social insurance):** Must have at least 30 weeks of contributions in the 12 months before the benefit is first paid; the Social Security Institute must confirm the expected date of childbirth; and the insured must not work for 42 days before and 42 days after childbirth.

**Medical benefits (social insurance):** Must be currently insured, a pensioner, or an eligible dependent.

**Medical benefits (social assistance):** Must live in a household with income below a legally defined threshold or in geographic areas covered by the Prospera program

and with women of reproductive age or with children up to age 22. Families must register at designated health centers and attend scheduled health visits and community health education activities.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 60% of the insured's monthly covered earnings when the incapacity began is paid after a three-day waiting period for up to 52 weeks; may be extended in some cases to 78 weeks.

**Maternity benefit (social insurance):** 100% of the insured's monthly covered earnings is paid for 42 days before and 42 days after the expected date of childbirth.

**Nursing allowance:** In-kind assistance is provided for up to six months after childbirth. A layette is also provided.

### Workers' Medical Benefits

**Social insurance:** The health facilities of the Social Security Institute (IMSS) normally provide medical services directly to patients; IMSS reimburses the cost of services when it cannot provide them directly. Benefits include general, maternity, dental, and specialist care; surgery; hospitalization or care in a convalescent home; medicine; laboratory services; and dental care. Benefits are paid for 52 weeks; may be extended for an additional 52 weeks.

**Social assistance:** The IMSS-Prospera program provides medical services to needy persons without access to other social security services, especially in rural and underserved urban areas. Benefits are provided through rural hospitals and medical units and include ambulance services, emergency care, reproductive health, gynecology, and chronic disease care; medical services for infants, youths, and the elderly; nutritional support and vaccinations.

### Dependents' Medical Benefits

**Social insurance:** Medical benefits for dependents are the same as those for the insured.

Eligible dependents include a wife, a dependent husband, a cohabiting partner who has lived with the insured for the five years immediately before the illness began or who has children with the insured (as long as both partners are unmarried), children younger than age 16 (age 25 if a student, no limit if disabled or chronically ill and unable to work), and dependent parents.

**Social assistance:** Medical benefits for dependents are the same as those for the insured.

### Administrative Organization

Secretariat of Social Development (<https://www.gob.mx/sedesol/>), through its office for the National Coordination of the Prospera Program, oversees and coordinates the administration of the social assistance medical program (IMSS-Prospera).

Mexican Social Security Institute (<http://www.imss.gob.mx/>), managed by a general assembly, technical council, oversight commission, and director general, administers the social insurance program.

Mexican Social Security Institute operates its own hospitals, clinics, pharmacies, and other medical facilities and contracts for the use of some facilities.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1943.

**Current law:** 1995 (social insurance), implemented in 1997.

**Type of program:** Social insurance system.

#### **Coverage**

Private-sector employees and members of cooperatives.

Voluntary coverage for public-sector employees who are not covered under other schemes, self-employed persons, household workers (medical benefits only), and employers.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** 0.5% to 15% of covered payroll, according to the assessed degree of risk.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage in the insured's geographic area.

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA.

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

**Government:** None.

#### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are covered.

#### **Temporary Disability Benefits**

100% of the insured's average monthly earnings in the last 52 weeks (or over the whole contribution period, if shorter) is paid from the first day of the disability until certification of permanent disability (which should take place within 52 weeks).

#### **Permanent Disability Benefits**

**Permanent disability pension:** For a total (100%) disability, 70% of the insured's average monthly earnings in the last 52 weeks (or over the whole contribution period, if shorter) before the disability began is paid.

**Constant-attendance allowance:** Up to 20% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

**Dependent's supplement:** 15% of the permanent disability pension is paid for a wife or partner; 10% for each child younger than age 16 (age 25 if a student, no limit if disabled); and 10% for each dependent parent.

**Partial disability:** For an assessed degree of disability of more than 50% but less than 100%, a percentage of the full pension is paid according to the assessed degree of disability. For an assessed degree of 26% to 50%, the insured has two different payment options: a percentage of the full pension paid according to the assessed degree of disability or a lump sum of five years of the insured's pension. For an assessed degree of 25% or less, a lump sum of five years of the insured's pension is paid.

**Christmas bonus:** A supplement of 15 days of the insured's pension is paid for an assessed degree of disability of more than 50%.

The degree of disability may be assessed and revised during the first two years; thereafter, a permanent pension is paid according to the assessed degree of disability.

**Benefit adjustment:** Benefits are adjusted annually in February according to changes in the price index.

#### **Workers' Medical Benefits**

Benefits include preventive, general, surgical, and hospital care; medicine; rehabilitation; transportation; appliances; and orthopedics.

#### **Survivor Benefits**

##### **Survivor pension**

**Spouse's pension:** 40% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow(er) or surviving partner. The widower or male partner must be economically dependent on the deceased.

The pension ceases if the widow(er) or partner remarries or cohabits with a new partner.

**Remarriage settlement:** A lump sum of three years of the pension is paid to a widow(er) or surviving partner upon remarriage or cohabitation.

**Orphan's pension:** 20% of the permanent disability pension the deceased received or was entitled to receive is paid for each child younger than age 16 (age 25 if a student, no limit if disabled); 30% for a full orphan. When the eligibility of an orphan ceases, he or she receives a final benefit of three months of the deceased's pension.



*Other eligible survivor's pension:* If there is no widow(er) or orphan, 20% of the permanent disability pension the deceased received or was entitled to receive is paid to each eligible dependent parent.

The amount paid may be recalculated if the number of eligible survivors changes.

Christmas bonus: A supplement of 15 days of the permanent disability pension is paid.

Benefits are payable abroad under reciprocal agreement. The insured must pay the corresponding administrative costs. If leaving Mexico permanently, the pensioner may request a lump sum of two years of the pension.

Benefit adjustment: Benefits are adjusted annually in February according to changes in the price index.

**Funeral grant:** A lump sum of twice the daily UMA (Unidad de Medida y Actualización) is paid.

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

### **Administrative Organization**

Mexican Social Security Institute (<http://www.imss.gob.mx/>), managed by a general assembly, technical council, oversight commission, and director general, administers the program.

## **Unemployment**

### **Regulatory Framework**

Federal labor law (1970) requires employers to pay dismissed employees a lump sum of three months plus 20 days of pay for each year of service, up to 12 months.

Unemployed persons with at least five years of contributions to an individual account may withdraw an amount equal to 90 days of their average earnings used to calculate the last 250 weeks of contributions or 11.5% of the individual account balance (see Old Age, Disability, and Survivors), whichever is lower.

Unemployed persons with three to five years of contributions and at least 12 bimonthly contributions may withdraw an amount equal to 30 days of their covered earnings used to calculate contributions, up to 10 times the legal monthly minimum wage.

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

One withdrawal is permitted every five years.

After the insured returns to work, he or she may replace the amount withdrawn from the individual account during unemployment and the number of paid contribution weeks will be restored. If the amount is not replaced, the number of paid contribution weeks will be reduced.

## **Family Allowances**

### **Regulatory Framework**

**First law:** 1973.

**Current laws:** 1995 (social security), implemented in 1997; 2004 (social developments); and 2006 (social development).

**Type of program:** Social insurance, mandatory individual account, and social assistance system.

### **Coverage**

**Day care center (social insurance):** Insured mothers who are employed, widowers or divorced fathers who have not remarried and who have legal custody of children, and legal guardians.

Exclusions: Self-employed persons.

**Marriage grant (mandatory individual account):** Individual account holders (see Old Age, Disability, and Survivors).

**Family cash grant (Prospera, social assistance):** Needy residents of Mexico.

### **Source of Funds**

#### **Insured person**

*Social insurance:* None.

*Mandatory individual account:* See source of funds under Old Age, Disability, and Survivors.

*Social assistance:* None.

#### **Self-employed person**

*Social insurance:* Not applicable.

*Mandatory individual account:* See source of funds under Old Age, Disability, and Survivors.

*Social assistance:* None.

#### **Employer**

*Social insurance:* 1% of covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA (Unidad de Medida y Actualización).

The legal daily minimum wage is 80.04 pesos (88.36 pesos as of December 2017).

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

*Mandatory individual account:* See source of funds under Old Age, Disability, and Survivors.

*Social assistance:* None.



## Mexico

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### Government

*Social insurance:* None.

*Mandatory individual account:* None.

*Social assistance:* The total cost.

### Qualifying Conditions

**Day care center (social insurance):** The mother, widow(er), divorced father, or guardian of the child must be in covered employment.

**Marriage grant (mandatory individual account):** Must not be previously married and have at least 150 weeks of contributions to the individual account.

**Family cash grant (Prospera, social assistance, means tested):** Paid to households with income below a legally defined threshold or in geographical areas covered by the program and with women of reproductive age or with children up to age 22. Children must be enrolled in and regularly attend school. Families must register at designated health centers and attend scheduled health visits and community health education activities.

### Family Allowance Benefits

**Day care center (social insurance):** Child day care facilities are provided for children aged 43 days to 4 years.

**Marriage grant (mandatory individual account):** A lump sum of 30 times the daily UMA (Unidad de Medida y Actualización) is paid from the insured's individual account.

The daily UMA is 75.49 pesos (80.60 pesos as of February 2018).

**Family cash grant (Prospera, social assistance, means tested):** The monthly benefit paid varies according to the composition of the household (number of children younger than age 9, number and grade of school-aged children, and number of older persons).

### Administrative Organization

Secretariat of Social Development (<https://www.gob.mx/sedesol/>), through its office for the National Coordination of the Prospera Program, oversees and coordinates the administration of the family cash grant.

Mexican Social Security Institute (<http://www.imss.gob.mx/>), managed by a general assembly, technical council, oversight commission, and director general, administers the day care program through contracted day care providers and oversees the mandatory individual account program.

National Commission for the Retirement Savings System (<https://www.gob.mx/consar/>) supervises the pension fund management companies.

Individual pension fund management companies administer the individual accounts.

## Nicaragua

Exchange rate: US\$1.00 = 29.95 córdobas.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1956 (social security), implemented in 1957.

**Current law:** 1982 (social security).

**Type of program:** Social insurance system.

#### Coverage

Employed persons, farmers who benefited from the Agrarian Reform; members of professional associations, certain members of the clergy; and members of cooperatives.

Voluntary coverage for self-employed persons, certain members of the clergy, employers, and workers who previously had mandatory coverage.

Exclusions: Seasonal agricultural workers and military and police personnel.

#### Source of Funds

**Insured person:** 4% of monthly covered earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 3,624.32 córdobas (agriculture), 4,873.29 córdobas (industry), and 8,110.87 córdobas (construction, finance, and insurance).

The maximum monthly earnings used to calculate contributions are 82,953.89 córdobas.

The insured person's contributions also finance family allowances.

**Self-employed person:** 10% of covered declared earnings (old-age, disability, and survivor benefits and dependent supplements); 7.60% of covered declared earnings for the clergy (old-age, disability, and survivor benefits).

The minimum monthly earnings used to calculate contributions are 5,647.10 córdobas.

The maximum monthly earnings used to calculate contributions are 82,953.89 córdobas.

**Employer:** 10% of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 3,624.32 córdobas (agriculture), 4,873.29 córdobas (industry), and 8,110.87 córdobas (construction, finance, and insurance).

The maximum monthly earnings used to calculate contributions are 82,953.89 córdobas.

The employer's contributions also finance family allowances.

**Government:** None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension:** Age 60 with at least 750 weeks of contributions. Those who enrolled after age 45 must have contributions for half the weeks from the date coverage began until the normal retirement age, with at least 250 weeks of contributions.

Age 55 for miners and those in arduous work with at least 15 years of contributions. Age 55 for teachers with at least 1,500 weeks of contributions (men) or 750 weeks of contributions (women).

Partial pension: Age 60 with at least 250 weeks but less than 750 weeks of contributions.

Deferred pension: The pension may be deferred until age 65.

Constant-attendance allowance: Paid if the insured requires the constant attendance of others to perform daily functions.

Dependent's supplement: Paid for a wife or disabled husband, children younger than age 15 (age 21 if a student, no limit if disabled), and dependent relatives older than age 60 or disabled.

A pensioner who works must pay contributions; the pensioner's salary must not exceed the amount of his or her pension.

Old-age pensions are not payable abroad.

**Disability pension:** Must be assessed with a total (at least a 67% loss of earning capacity) disability with at least 150 weeks of contributions in the last six years or at least 250 total weeks of contributions.

Partial disability pension: Must be assessed with at least a 50% but less than a 67% loss of earnings capacity.

Constant-attendance allowance: Paid if the insured requires the constant attendance of others to perform daily functions.

Dependent's supplement: Must be assessed with a total (at least a 67% loss of earning capacity) disability. The supplement is paid for a wife or disabled husband, children younger than age 15 (age 21 if a student, no limit if disabled), and dependent relatives older than age 60 or disabled.

The disability pension ceases at the normal retirement age and is replaced by the old-age pension. If the insured is not entitled to receive an old-age pension, a partial disability pension is increased to the value of the total disability

benefit at the normal retirement age if the beneficiary retires from all gainful employment.

The assessed loss of earning capacity is reviewed every three years.

Disability pensions are not payable abroad.

**Survivor pension:** The deceased received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a widow or a dependent, disabled widower who has lived with the deceased for at least six months (except if there are common children; the widow is pregnant; or if the deceased died from an accident), children younger than age 15 (age 21 if a student, no limit if disabled), and, if there are no other survivors, other dependent relatives older than age 60 or disabled.

The widow(er)'s pension ceases upon remarriage or cohabitation.

Remarriage and cohabitation settlement: Paid to a widow(er) upon remarriage or cohabitation.

Survivor pensions are not payable abroad.

**Funeral grant:** The deceased had at least four weeks of contributions in the 26 weeks before death.

### **Old-Age Benefits**

**Old-age pension:** With average earnings of more than twice the minimum wage, 37% of average earnings plus 1.15% for each additional 52-week period of contributions exceeding 150 weeks is paid. With average earnings of up to twice the minimum wage, 45% of average earnings plus 1.591% for each additional 52-week period of contributions exceeding 150 weeks is paid.

Average earnings are the average of the insured's last 250 weeks of contributions or the 250 weeks before the last 250 weeks of earnings (whichever is greater). For insured persons with 1,000 to 1,249 weeks of contributions, average earnings may be calculated based on the average of the insured's last 200 weeks of contributions; with at least 1,250 weeks of contributions, the average of the last 150 weeks of contributions.

The minimum pension is the legal monthly minimum wage for industry.

The legal monthly minimum wage for industry is 4,062.79 córdobas.

Partial pension: With 250 to 349 weeks of contributions, 1,910 córdobas is paid; with 350 to 449 weeks, 2,356 córdobas; with 450 to 549 weeks, 2,884 córdobas; with 550 to 649 weeks, 3,290 córdobas; and with 650 to 749 weeks, 3,656 córdobas.

Deferred pension: The pension is increased by 1% for each 50-week period of contributions after age 60, up to 5%.

The maximum monthly old-age pension is 80% of average earnings with average earnings of more than twice the minimum wage; 100% with average earnings of less than twice the minimum wage.

Dependent's supplement: 15% of the old-age pension is paid for a wife or disabled husband; 10% for each child younger than age 15 (age 21 if student, no limit if disabled); and 10% for dependent parents older than age 60 or disabled.

The maximum old-age pension and dependent's supplement is 100% of the insured's earnings or US\$ 1,500 a month (whichever is lower).

Schedule of payments: Benefits are paid monthly, with an additional payment made each Christmas.

Benefit adjustment: Benefits for pensioners whose earnings used to calculate the old-age pension are up to twice the minimum wage are adjusted periodically in July according to changes in the average wage of all insured. Benefits for pensioners whose earnings used to calculate the old-age pension are more than twice the minimum wage are adjusted annually on November 30 according to changes in the consumer price index.

### **Permanent Disability Benefits**

**Disability pension:** With average monthly earnings of more than twice the minimum wage, 37% of average monthly earnings plus 1.15% for each additional 52-week period of contributions exceeding 150 weeks is paid. With earnings of up to twice the minimum wage, 45% of average monthly earnings plus 1.591% for each additional 52-week period of contributions exceeding 150 weeks is paid.

Average monthly earnings are based on the insured's last 250 weeks of contributions or the 250 weeks before the last 250 weeks of earnings, whichever is greater. If the insured has 1,000 to 1,249 weeks of contributions, average monthly earnings may be calculated based on the insured's last 200 weeks of contributions; with at least 1,250 weeks of contributions, the average may be based on the last 150 weeks of contributions.

The minimum monthly pension is the legal monthly minimum wage for industry.

The legal monthly minimum wage for industry is 4,873.29 córdobas.

If the insured has a spouse and children, the total disability pension must not be less than 50% of the insured's average earnings.

Partial disability pension: 50% of the total disability pension is paid.

The partial disability pension must be greater than 33% but less than 50% (according to the degree of disability) of the minimum wage in the insured's occupation.

Constant-attendance allowance: 20% of the total disability pension is paid.

Dependent's supplement: 15% of the old-age pension is paid for a wife or disabled husband; 10% for each child younger than age 15 (age 21 if a student, no limit if disabled); and 10% for dependent parents older than age 60 or disabled.

The maximum combined old-age pension and dependent's supplement is 100% of the insured's average monthly earnings or US\$1,500 a month (whichever is lower).

Schedule of payments: Benefits are paid monthly, with an additional payment made each Christmas.

Benefit adjustment: Benefits for pensioners whose earnings used to calculate the disability pension are up to twice the minimum wage are adjusted periodically in July according to changes in the average wage of all insured. Benefits for pensioners whose earnings used to calculate the disability pension are more than twice the minimum wage are adjusted annually on November 30 according to changes in the consumer price index.

## Survivor Benefits

### Survivor pension

*Spouse's pension:* 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow aged 45 or older or disabled, or to a widower aged 60 or older or dependent and disabled. A pension is paid to a widow younger than age 45 for two years or for as long as she is caring for a child receiving an orphan's pension.

Remarriage and cohabitation settlement: A lump sum of 12 months of the spouse's pension is paid.

*Orphan's pension:* 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each eligible child; 50% for a full orphan.

The maximum combined survivor pension for a widow(er) with two or more children is 100% of the old-age or disability pension the deceased received or was entitled to receive.

*Dependent relatives' pension:* If there are no other eligible survivors, 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to other dependent relatives.

**Funeral grant:** A lump sum of the cost of the funeral or 50% of the deceased's monthly wage, whichever is lower, is paid to the person who paid for the funeral.

Benefit adjustment: Benefits for pensioners whose earnings used to calculate the survivor pension are up to twice the minimum wage are adjusted periodically in July according to changes in the average wage of all insured. Benefits for pensioners whose earnings used to calculate the survivor pension are more than twice the minimum wage are adjusted annually on November 30 according to changes in the consumer price index.

## Administrative Organization

Nicaraguan Institute of Social Security (<https://www.inss.gob.ni/>) administers the program and collects contributions.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1956 (social security), implemented in 1957.

**Current laws:** 1982 (social security) and 2002 (health).

**Type of program:** Social insurance (cash and medical benefits) and social assistance (medical benefits) system.

### Coverage

**Social insurance (cash benefits):** Employed persons, farmers who benefited from the Agrarian Reform, members of professional associations, certain members of the clergy, and members of cooperatives.

Voluntary coverage for self-employed persons, certain members of the clergy, employers, and workers who previously had mandatory coverage.

**Exclusions:** Seasonal agricultural workers, and military and police personnel.

**Social insurance (medical benefits):** Insured persons and their dependents (a wife requiring maternity care and children up to age 12) and old-age pensioners.

**Social assistance (medical benefits):** Needy persons, including elderly and disabled persons.

### Source of Funds

**Insured person:** 2.25% of covered earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 3,014.41 córdobas (agriculture), 4,062.79 córdobas (industry), and 6,761.91 córdobas (construction, finance, and insurance).

The maximum monthly earnings used to calculate contributions are 72,410 córdobas.

**Self-employed person:** 8.25% of covered earnings.

The minimum monthly earnings used to calculate contributions are 5,122 córdobas.

The maximum monthly earnings used to calculate contributions are 72,410 córdobas.

**Employer:** 6% of covered payroll.

**Government:** 0.25% of covered earnings (insured and self-employed persons); also contributes as employer.

The government's contributions also finance family allowances.



### **Qualifying Conditions**

**Cash sickness benefit (social insurance):** Must have at least eight weeks of contributions in the last 22 weeks. Unemployed insured persons with at least eight weeks of contributions in the last 22 weeks are covered for 14 weeks after employment ceases. Self-employed persons must have at least one year of continuous contributions.

No benefits are paid if the insured is caring for a sick family member.

**Cash maternity benefit (social insurance):** Must have at least 16 weeks of contributions in the 39 weeks before the expected date of childbirth. Unemployed women with at least eight weeks of contributions in the last 22 weeks are covered for 14 weeks after employment ceased. Self-employed persons must have at least one year of continuous contributions.

**Medical benefits (social insurance):** Must have at least eight weeks of contributions in the last 22 weeks; no contribution requirement for an old-age pensioner.

**Medical benefits (social assistance):** Must not be entitled to receive social insurance medical benefits and be assessed as unable to pay contributions for voluntary social insurance coverage.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 60% of the insured's average weekly earnings in the last eight weeks is paid after a three-day waiting period (waived if hospitalized) for up to 52 weeks.

**Maternity benefit:** 60% of the insured's weekly average earnings in the last eight weeks is paid for four weeks before and eight weeks after the expected date of childbirth; an additional two weeks for each further child is paid for multiple births.

Nursing allowance: Breastfeeding support is provided for the first six months of the child's life; if the child is not breastfed, formula is provided. Equivalent benefits may be provided in cash in certain circumstances.

### **Workers' Medical Benefits**

**Social insurance:** Medical services, including medicine and hospitalization, are provided directly to patients, depending on available resources. Insured pregnant women receive maternity care. Old-age pensioners (contributory) are entitled to medical services for certain illnesses and surgical treatments.

There is no limit to duration.

**Social assistance:** Free services in the public health facilities are provided, including hospitalization and outpatient services, diagnostics, and medicines, according to a basic list defined by the Ministry of Health.

### **Dependents' Medical Benefits**

**Social insurance:** Medical benefits for eligible dependents are the same as those for the insured.

### **Administrative Organization**

Nicaraguan Institute of Social Security (<https://www.inss.gob.ni/>) administers the social insurance program and collects contributions.

Ministry of Health (<http://www.minsa.gob.ni/>) administers the social assistance program.

Public and private institutions provide medical care and cash benefits.

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### **Work Injury**

#### **Regulatory Framework**

**First law:** 1945 (labor code).

**Current law:** 1982 (social security).

**Type of program:** Social insurance system.

#### **Coverage**

Employed persons, farmers who benefited from the Agrarian Reform; members of professional associations and the clergy; and members of cooperatives.

Exclusions: Self-employed persons, seasonal agricultural workers, and military and police personnel.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 1.5% of covered payroll plus 1.5% (war victims' pensions).

The maximum monthly earnings used to calculate contributions are 82,953.89 córdobas.

**Government:** None; contributes as an employer.

#### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease. Accidents that occur while traveling to or from work are covered.

#### **Temporary Disability Benefits**

60% of the insured's weekly earnings in the last eight weeks of contributions is paid from the day after the disability began until medical care ceases or the insured is certified with a permanent disability. (The employer pays the benefit for the first day.)



## Permanent Disability Benefits

**Permanent disability pension:** For a total (at least a 67% assessed loss of earning capacity) disability with average monthly earnings of more than twice the minimum wage, 37% of average monthly earnings plus 1.15% for each additional 52-week period of contributions exceeding 150 weeks is paid; with monthly earnings of up to twice the minimum wage, 45% of average earnings plus 1.591% for each additional 52-week period of contributions exceeding 150 weeks is paid.

Average monthly earnings are based on the insured's last 250 weeks of contributions or the 250 weeks before the last 250 weeks of earnings, whichever is greater. If the insured has 1,000 to 1,249 weeks of contributions, average monthly earnings may be calculated based on the insured's last 200 weeks of contributions; with at least 1,250 weeks of contributions, the average may be based on the last 150 weeks of contributions.

The minimum monthly permanent disability pension is 60% of the insured's average monthly earnings or the legal monthly minimum wage for industry, whichever is lower, for an insured with dependents; 50% if the insured has no dependents.

The legal monthly minimum wage for industry is 4,873.29 córdobas.

Constant-attendance allowance: 20% of the permanent disability pension is paid.

Dependent's supplement: 15% of the permanent disability pension is paid for a wife or disabled husband; 10% for each child younger than age 15 (age 21 if a student, no limit if disabled); and 10% for dependent relatives older than age 60 or disabled.

Partial disability: For an assessed degree of disability of 20% to 66%, a percentage of the full pension is paid according to the assessed degree of disability.

The partial disability pension must be greater than 20% but less than 66% (according to the degree of disability) of the minimum wage in the insured's occupation. A lump sum of five times the insured's annual salary is paid for an assessed degree of disability of less than 20%.

The legal monthly minimum wage is 3,624.32 córdobas (agriculture), 4,873.29 córdobas (industry), and 8,110.87 córdobas (construction, finance, and insurance).

Schedule of payments: Benefits are paid monthly, with an additional payment made each Christmas.

Benefit adjustment: Benefits for pensioners whose earnings used to calculate the permanent disability pension are up to twice the minimum wage are adjusted periodically in July according to changes in the average wage of all insured. Benefits for pensioners whose earnings used to calculate the permanent disability pension are more than twice the minimum wage are adjusted annually on November 30 according to changes in the consumer price index.

## Workers' Medical Benefits

Medical benefits are provided for work injuries and occupational diseases.

## Survivor Benefits

### Survivor pension

**Spouse's pension:** At least 50% of the deceased's earnings used to calculate the permanent disability pension is paid to a widow or a dependent, disabled widower.

**Orphan's pension:** 25% of the permanent disability pension the deceased received or was entitled to receive is paid to each child younger than age 15 (age 21 if a student, no limit if disabled); 50% for a full orphan.

**Other dependent survivors' pension:** If there are no other eligible survivors, 25% of the permanent disability pension the deceased received or was entitled to receive is paid to each dependent survivor.

The maximum combined survivor pension is 100% of the permanent disability pension the deceased received or was entitled to receive.

**Funeral grant:** A lump sum of 50% of the deceased's average monthly salary is paid.

## Administrative Organization

Nicaraguan Institute of Social Security (<https://www.inss.gob.ni/>) administers the program and collects contributions.

## Unemployment

### Regulatory Framework

The labor code regulates severance pay in the case of unfair dismissal. An employee with a permanent contract who is unfairly dismissed receives 100% of his or her monthly earnings for each year of continuous service up to three years plus 20 days of earnings for each additional year of continuous service. Employees with fixed-term contracts receive 100% of their outstanding salaries agreed to in their work contracts.

## Family Allowances

### Regulatory Framework

**First law:** 1956 (social security), implemented in 1957.

**Current law:** 1982 (social security).

**Type of program:** Social insurance system.

### Coverage

Employed persons, farmers who benefited from the Agrarian Reform; members of professional associations and the clergy; and members of cooperatives.

## Nicaragua

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Exclusions: Self-employed persons, seasonal agricultural workers and military and police personnel.

### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** Not applicable.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

### **Qualifying Conditions**

**Marriage grant:** Must have at least three years of contributions.

### **Family Allowance Benefits**

**Marriage grant:** A lump sum of one month of the insured's monthly earnings is paid.

The benefit is paid for only one marriage.

### **Administrative Organization**

Nicaraguan Institute of Social Security (<https://www.inss.gob.ni/>) administers the program and collects contributions.

## Panama

Exchange rate: US\$1.00 = 1.00 balboa.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1941 and 2010.

**Current laws:** 2005 (social insurance and individual accounts) and 2014 (noncontributory pension).

**Type of program:** Social insurance, mandatory individual account, and social assistance system.

#### Coverage

**Social insurance only:** Public- and private-sector employees and self-employed persons who were insured and were older than age 35 on January 1, 2006; public- and private-sector employees who were insured and younger than age 35 or who started working from January 1, 2006, to December 31, 2007, and did not choose to participate in the mixed social insurance and mandatory individual account system.

**Social insurance and mandatory individual account (mixed):** Public- and private-sector employees who were insured and aged 35 or younger on January 1, 2006, and who chose to participate in the mixed system before December 31, 2007; public- and private-sector employees who started working from January 1, 2006, to December 31, 2007, and who chose to participate in the mixed system; and public- and private-sector employees who started working after December 31, 2007.

Exclusions: Self-employed persons.

**Mandatory individual account only:** Self-employed persons aged 35 or younger on January 1, 2007, with gross annual earnings greater than 9,600 balboas.

Voluntary coverage for persons not subject to mandatory coverage.

**Social assistance:** Needy citizens of Panama.

#### Source of Funds

##### Insured person

**Social insurance only:** 9.25% of gross monthly earnings (7.25% of the thirteenth salary).

There are no maximum earnings used to calculate contributions.

**Social insurance and mandatory individual account:** 9.25% of the first 500 balboas of gross monthly earnings to social insurance (7.25% of the thirteenth salary) plus 9.25% of

gross monthly earnings above 500 balboas to the individual account (7.25% of the thirteenth salary).

There are no maximum earnings used to calculate contributions to the individual account.

**Mandatory individual account only:** Not applicable.

**Social assistance:** None.

##### Self-employed person

**Social insurance only:** 13.5% of gross monthly declared earnings.

**Social insurance and mandatory individual account:** Not applicable.

**Mandatory individual account only:** 13.5% of 52% of gross annual earnings.

There are no maximum earnings used to calculate contributions.

**Social assistance:** None.

##### Employer

**Social insurance only:** 4.25% of gross monthly earnings (10.75% of the thirteenth salary).

There are no maximum earnings used to calculate contributions.

**Social insurance and individual account:** 4.25% of the first 500 balboas of gross monthly earnings to social insurance (10.75% of the thirteenth salary) plus 4.25% of gross monthly earnings greater than 500 balboas to the individual account (10.75% of the thirteenth salary).

**Individual account only:** None.

**Social assistance:** None.

##### Government

**Social insurance only:** Subsidies as needed.

**Social insurance and individual account:** 0.8% of all insured persons' earnings and designated taxes partially fund the administrative costs; an annual subsidy of 20.5 million balboas.

The government's contributions to social insurance also finances sickness and maternity benefits.

**Individual account only:** None.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance and mandatory individual account):** Age 62 (men) or age 57 (women) with at least 240 months of contributions; with at least 120 months of contributions for seasonal agricultural and construction workers; no contribution requirement for self-employed persons.

## Panama

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Early pension (social insurance): Age 60 (men) or age 55 (women) with at least 240 months of contributions.

Partial pension (social insurance): Age 62 (men) or age 57 (women) with 180 months to 239 months of contributions.

Early partial pension (social insurance): Age 60 (men) or age 55 (women) with 180 months to 239 months of contributions.

Deferred pension (social insurance): The pension may be deferred.

Dependent's supplement (social insurance): Age 62 (men) or age 57 (women) with dependent family members.

Top-up benefit (mandatory individual account): Must have been voluntarily enrolled in the mixed system between 2006 and 2007 with contributions on earnings above 500 balboas a month in the 12 months before enrolling in the mixed system.

The old-age pension is payable abroad.

**Old-age settlement (social insurance and mandatory individual account):** Age 62 (men) or age 57 (women) and does not meet the contribution requirements for an old-age pension.

**Old-age social pension (120 a los 65 pension, social assistance, means tested):** Age 65, assessed as needy, and not receiving any other pension.

Beneficiaries must undergo periodic medical examinations.

**Disability pension (social insurance and mandatory individual account):** Must have at least a 66.7% assessed loss of earning capacity and at least three years of contributions, including at least 18 months in the last three years, if aged 30 or younger; at least four years of contributions, including at least two years in the last four years, if aged 31 to 40; at least five years of contributions, including at least 30 months in the last five years, if aged 41 to the normal retirement age; or at least 20 years of contributions at any age.

The assessed degree of disability may be reviewed at any time at the request of the insured or the Social Insurance Fund. The Medical Qualification Commission assesses the degree of disability.

The disability pension is payable abroad.

**Disability grant (social insurance and mandatory individual account):** Must have at least a 66.7% assessed loss of earning capacity and not meet the contribution requirements for a disability pension.

**Survivor pension (social insurance):** The deceased received or was entitled to receive an old-age or disability pension or had at least three years of contributions, including at least 18 months in the last three years before the death.

Eligible survivors include a widow(er) and orphans younger than age 18 (no limit if disabled); or if there are no other

survivors, the deceased's mother or aged father with a disability.

The survivor pension is payable abroad.

**Survivor pension (mandatory individual account):** The deceased has an account balance.

Eligible survivors include a widow(er) and orphans younger than age 18 (no limit if disabled); if there are no other survivors, the mother and father; if there is no other family member, the designated heir.

**Survivor grant (social insurance):** The insured deceased did not receive or was not entitled to receive a social insurance old-age or disability pension at the time of death.

**Funeral grant (social insurance):** The deceased received or was entitled to receive a social insurance old-age pension or disability pension at the time of death, or had at least six months of contributions in the 12 months before death.

### Old-Age Benefits

**Old-age pension (social insurance):** 60% of the insured's average earnings in the best 10 years of earnings plus 1.25% of average earnings for each 12-month period of contributions exceeding 20 years is paid.

For seasonal agricultural and construction workers, 60% of the insured's average earnings in the best 10 years of earnings multiplied by the number of months of contributions divided by 180 months is paid. The maximum annual earnings used to calculate benefits for seasonal agricultural and construction workers is 3,500 balboas.

The minimum monthly old-age pension is 245 balboas. There is no minimum monthly old-age pension for seasonal agricultural and construction workers.

The maximum monthly old-age pension for social insurance only is 1,500 balboas (2,000 balboas with 25 years of contributions and an average monthly salary of 2,000 balboas or more in the last 15 contribution years or 2,500 balboas with 30 years of contributions and an average monthly salary of 2,500 balboas or more in the 20 highest contribution years).

The maximum monthly pension for the social insurance component of the mixed system is 500 balboas.

Early pension: The old-age pension is multiplied by 0.9128 if claimed one year before the normal retirement age or by 0.8342 if claimed two years before the normal retirement age.

Partial pension: 60% of the insured's average earnings in the best 10 years of earnings multiplied by the number of months of contributions divided by 20 years is paid.

Early partial pension: The partial pension is multiplied by 0.9128 if claimed one year before the normal retirement age or by 0.8342 if claimed two years before the normal retirement age.

Deferred pension: 2% of the insured's average monthly earnings in the best 10 years of earnings is paid for each year of contributions after the normal retirement age.

Dependent's supplement: 20 balboas a month is paid for a wife, female partner, or a husband with a disability; 10 balboas a month for each child younger than age 14 (age 18 if a student, no limit if disabled), up to 100 balboas.

**Old-age pension (mandatory individual account):** The insured's account balance divided by an actuarial value linked to life expectancy is paid as programmed withdrawals. If the pensioner lives beyond the estimated life expectancy and the individual account is depleted, collective insurance tops up the account balance.

Top-up benefit: A monthly benefit is paid based on the amount the insured contributed on earnings greater than 500 balboas a month before switching to the mixed system.

**Old-age settlement (social insurance):** A lump sum of one month of the old-age pension is paid for each six-month period of contributions.

**Old-age settlement (mandatory individual account):** A lump sum of the account balance is paid.

**Old-age social pension (120 a los 65, social assistance, means tested):** 120 balboas a month is paid.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** 60% of the insured's average earnings in the best 10 years of earnings plus 1.25% of earnings for each year of contributions exceeding 20 years is paid for up to two years (may be extended).

The minimum monthly pension is 245 balboas.

The maximum monthly pension for social insurance only is 1,500 balboas (2,000 balboas with 25 years of contributions and an average monthly salary of 2,000 balboas in the last 15 contribution years or 2,500 balboas with 30 years of contributions and an average monthly salary of 2,500 balboas or more in the 20 highest contribution years).

The maximum monthly pension for the social insurance component of the mixed system is 500 balboas.

Dependent's supplement (social insurance): 20 balboas a month is paid for a wife, female partner, or a husband with a disability; 10 balboas a month for each child younger than age 14 (age 18 if a student, no limit if disabled), up to 100 balboas.

**Disability pension (mandatory individual account):** The insured's account balance divided by an actuarial value linked to life expectancy is paid in programmed withdrawals.

If the combined social insurance and individual account disability pension is less than what the insured would have been entitled to under the old social insurance system, collective insurance pays the difference.

**Disability grant (social insurance):** A lump sum of one month of the disability pension is paid for each six-month period of contributions.

**Disability grant (mandatory individual account):** A lump sum of the account balance is paid.

### **Survivor Benefits**

#### **Survivor pension (social insurance)**

*Spouse's pension:* 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er).

*Orphan's pension:* 20% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for each eligible child; 50% for a full orphan.

*Other dependent's pension:* 30% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible parent.

The minimum monthly survivor benefit is 120 balboas.

The maximum combined survivor pension is 100% of the social insurance old-age or disability pension the deceased received or was entitled to receive.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to economic conditions.

**Survivor pension (mandatory individual account):** The total account balance is paid to eligible survivors as programmed withdrawals.

**Survivor grant (social insurance):** A lump sum of one month of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for each six-month period of contributions.

**Funeral grant (social insurance):** A lump sum of 300 balboas is paid to the person who paid for the funeral.

### **Administrative Organization**

Social Insurance Fund (<http://www.css.org.pa/>), managed by a director general with an advisory board, supervises, administers, and collects contributions to the social insurance and individual account programs.

Ministry for Social Development (MIDES) (<http://www.mides.gob.pa/>) administers the noncontributory pension.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1941.

**Current law:** 2005 (social insurance).

**Type of program:** Social insurance system.



### Coverage

Public- and private-sector employees, including household workers; and pensioners.

Voluntary coverage for employed and self-employed persons without mandatory coverage; employees of embassies, permanent missions, and international organizations working in Panama, and caregivers.

### Source of Funds

**Insured person:** 0.5% of gross monthly earnings; pensioners pay 4.65% of the monthly pension.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage; 100 balboas a month for household workers; 300 balboas a month for pensioners.

The legal monthly minimum wage varies according to industry, region, and company size.

There are no maximum earnings used to calculate contributions.

**Self-employed person:** 8.5% of monthly declared earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage; 100 balboas a month for household workers; 300 balboas a month for pensioners.

The legal monthly minimum wage varies according to industry, region, and company size.

There are no maximum earnings used to calculate contributions.

**Employer:** 8% of gross payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage; 100 balboas a month for household workers; 300 balboas a month for pensioners.

The legal monthly minimum wage varies according to industry, region, and company size.

There are no maximum earnings used to calculate contributions.

**Government:** None. (A provision in the law to contribute 10% of the income received from the sale of rights to fiber optic business operations has not yet been implemented.)

### Qualifying Conditions

**Cash sickness benefit:** Must have at least six months of contributions in the last nine months before the incapacity began.

**Cash maternity benefit:** Must have at least nine months of contributions in the year before the seventh month of pregnancy.

**Medical benefits:** Must be currently insured or a pensioner; if the insured becomes unemployed, coverage continues for three months after employment ceases (two years for insured persons with at least 20 years of contributions).

### Sickness and Maternity Benefits

**Sickness benefit:** 70% of the insured's average daily earnings in the two months before the incapacity began is paid from the fourth day of sickness for up to 26 weeks for the same sickness.

There is no minimum or maximum sickness benefit.

**Maternity benefit:** 100% of the insured's average weekly earnings in the last nine months is paid for up to six weeks before and eight weeks after the expected date of childbirth.

### Workers' Medical Benefits

Benefits include general and specialist care, surgery, hospitalization, laboratory and X-ray services, medicine, maternity care, dental care, dental prosthesis, and appliances.

### Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Eligible dependents include the insured's wife or partner who has lived with the insured for at least nine months and is economically dependent on him or her; children younger than age 18 (age 25 if a student, no limit if disabled); and a dependent father aged 60 or older and mother aged 50 or older, or at any age if disabled.

### Administrative Organization

Social Insurance Fund (<http://www.css.gob.pa/>), managed by a director general with an advisory board, administers and collects contributions to the program.

Social Insurance Fund operates its own hospitals and other medical facilities in larger cities.

### Work Injury

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#### Regulatory Framework

**First law:** 1916.

**Current law:** 1970 (occupational risks).

**Type of program:** Employer-liability system through a public carrier.

#### Coverage

Public- and private-sector employees.

Exclusions: Self-employed persons and household workers.

## Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost (pays insurance premiums, which vary according to the assessed degree of risk).

**Government:** None; contributes as an employer.

## Qualifying Conditions

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are covered.

## Temporary Disability Benefits

100% of the insured's average earnings in the last two months before the disability began is paid for the first two months; thereafter, 60% is paid until recovery or certification of permanent disability.

## Permanent Disability Benefits

**Permanent disability pension:** For a total (100%) disability, 60% of the insured's average earnings in the last 12 months before the disability began is paid.

The minimum monthly permanent disability pension for is 245 balboas.

The maximum monthly permanent disability pension is 1,500 balboas.

**Partial disability:** For an assessed degree of disability of at least 35% but less than 100%, a percentage of the full permanent disability pension is paid according to the assessed degree of disability.

For an assessed degree of disability of less than 35%, a lump sum of three years of the full permanent disability pension is paid.

The permanent disability pension is paid for life after age 60 (men) or age 55 (women).

The Medical Assessment Commission assesses the disability.

The permanent disability pension is payable abroad.

## Workers' Medical Benefits

Benefits include general and specialist care, surgery, medicine, hospitalization, and appliances.

## Survivor Benefits

### Survivor pension

**Spouse's pension:** 25% of the deceased's earnings (30% if the sole beneficiary or if disabled) is paid to the widow or female partner.

**Orphan's pension:** 15% of the deceased's earnings is paid for one orphan younger than age 18 (no age limit if

disabled); 25% for two orphans; 35% for three orphans; and 40% for four or more orphans. If there is no widow(er), 20% of the deceased's earnings is paid for one orphan; 15% each for two or more full orphans. If there is more than one eligible orphan, the pension is split equally among them.

**Other dependent's pension:** If there are no other survivors, 20% to 30% of the deceased's earnings is paid to the mother for up to 10 years; 10% to a father who is aged 60 or older or disabled. Brothers or sisters of the deceased who are younger than age 18 (no limit if disabled) receive the same amount as an orphan would have received.

The maximum combined survivor pension is 75% of the deceased's earnings.

The survivor pension is payable abroad.

**Funeral grant:** A lump sum of 300 balboas is paid.

## Administrative Organization

Social Insurance Fund (<http://www.css.gob.pa/>), managed by a director general with an advisory board, administers the program.

Social Insurance Fund operates its own hospitals and other medical facilities in larger cities.

## Unemployment

### Regulatory Framework

No statutory benefits are provided.

The 1995 Labor Code requires employers with more than five employees to set up a severance fund administered by a bank, private insurer, or for an investment company. Contributions to the severance funds are compulsory for employers and voluntary for employees.

## Family Allowances

### Regulatory Framework

**First laws:** 2007 (social assistance), 2009 (noncontributory pension), and 2010 (education allowances).

**Current laws:** 2012 (social assistance for disabled people), 2014 (non-contributory pension), and 2014 (education allowances).

**Type of program:** Universal and social assistance system.

### Coverage

**Universal:** Citizens of Panama.

**Social assistance:** Needy families.

## Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### **Qualifying Conditions**

**School cash transfer (Beca Universal, universal):** Paid for children attending primary, middle, and secondary school. Students in primary school must have passed the previous school year. Students in secondary school (ages 12 to 15) must pass all subjects to receive the monthly benefit. Students in all levels must have a grade point average of at least 3.0, undergo medical check-ups; and receive all required vaccinations.

**Disability cash transfer (Ángel Guardián, social assistance, income tested):** Paid to persons with severe disabilities who need constant attendance and live in conditions of extreme poverty.

Income test: Monthly family income must be below the cost of the basic food basket (302.16 balboas a month in Panama City and San Miguelito or 277.43 balboas a month in the rest of the country in 2015).

**Family cash transfer (Red de Oportunidades, social assistance, income tested):** Paid to families with children under age 18 who meet certain health and education-related conditions or have family members aged 60 to 64 or with disabilities.

Children younger than age 5 and pregnant and nursing women must undergo prescribed medical examinations and meet the vaccination requirements. Children aged 5 to

17 must be enrolled in school and register at least an 85% attendance rate.

Income test: Monthly family income must be below the cost of the basic food basket (302.16 balboas a month in Panama City and San Miguelito or 277.43 balboas a month in the rest of the country in 2015).

### **Family Allowance Benefits**

**School cash transfer (Beca Universal, universal):** 30 balboas a month (270 balboas a year) is paid for a student aged 6 to 11 attending primary school; 40 balboas a month (360 balboas a year) for a student aged 12 to 15 attending middle school; 50 balboas a month (450 balboas a year) for a student aged 15 to 18 attending secondary school.

**Disability cash transfer (Ángel Guardián, social assistance, income tested):** 80 balboas a month is paid.

**Family cash transfer (Red de Oportunidades, social assistance, income tested):** 50 balboas a month is paid.

### **Administrative Organization**

Institute for Training and Human Resources (IFARHU) (<https://www.ifarhu.gob.pa/>) administers the school cash transfer program.

Ministry for Social Development (MIDES) (<http://www.mides.gob.pa/>) administers the disability and family cash transfer programs.

## Paraguay

Exchange rate: US\$1.00 = 5,564 guaraníes.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1943.

**Current laws:** 1992 (unified pension scheme), 2005 (retirement), 2009 (noncontributory old-age pension), 2011 (partial pension), 2013 (self-employed persons), and 2015 (household workers).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed persons, including employees of decentralized state entities and enterprises partially owned by the state, municipal workers, household workers, and apprentices.

Voluntary coverage for self-employed persons and housewives.

Special systems for public-sector employees, teachers, police and military personnel, railroad employees, dockworkers, bank employees, and microentrepreneurs.

**Social assistance:** Needy resident citizens of Paraguay.

#### Source of Funds

##### Insured person

**Social insurance:** 9% of gross monthly earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 2,041,123 guaraníes.

There are no maximum earnings used to calculate contributions.

The insured person's contributions also finance sickness, maternity, and work injury benefits.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 12.5% of the legal monthly minimum wage plus 0.5% for administrative fees.

The legal monthly minimum wage is 2,041,123 guaraníes.

The self-employed person's contributions also finance work injury benefits.

**Social assistance:** None.

#### Employer

**Social insurance:** 14% of gross monthly payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 2,041,123 guaraníes.

There are no maximum earnings used to calculate contributions.

The employer's contributions also finance sickness, maternity, and work injury benefits.

**Social assistance:** None.

#### Government

**Social insurance:** 1.5% of gross monthly earnings; contributes as an employer.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 2,041,123 guaraníes.

There are no maximum earnings used to calculate contributions.

Government contributions also finance sickness, maternity, and work injury benefits, and cover administrative costs.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 60 with at least 1,250 weeks of contributions.

Employment must cease.

Early pension: Age 55 with at least 1,500 weeks of contributions.

Employment must cease.

Partial pension: Age 65 with at least 750 weeks of contributions.

Employment must cease.

**Old-age social pension (Pensión Alimentaria, social assistance, means tested):** Age 65, assessed as needy, and does not receive a salary or any other pension.

**Disability pension (social insurance):** Must have at least a 30% assessed loss of earning capacity and at least 150 weeks of contributions if younger than age 55; 150 weeks to 250 weeks if aged 55 to 59; or 250 weeks to 400 weeks if aged 60 to 65.

A medical commission of three Social Security Institute doctors assesses the degree of disability every six months. The disability is considered permanent after five years of pension receipt.

**Survivor pension (social insurance):** The deceased received or was entitled to receive an old-age or disability pension or had at least 750 weeks of contributions at the time of death.

## Paraguay

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Eligible survivors include a widow(er) or partner who lived with the deceased for at least five years (two years if they had children); children younger than age 18 (no limit if disabled); and dependent parents if there are no other eligible survivors.

The pension ceases upon remarriage or cohabitation.

Remarriage settlement: Paid to a widow(er) or partner upon remarriage or cohabitation.

**Survivor grant (social insurance):** The deceased had less than 750 weeks of contributions.

**Funeral grant (social insurance):** Paid to the person who pays for the funeral if there are no eligible survivors.

### Old-Age Benefits

**Old-age pension (social insurance):** 100% of the insured's average monthly earnings is paid.

Average monthly earnings for employed persons are based on the insured's monthly earnings in the last 36 months (excluding the last month) before retirement; last 120 months for self-employed persons.

Early pension: 80% of the insured's average monthly earnings plus 4% of average monthly earnings for each year the insured is older than age 55, up to age 59, is paid.

Partial pension: 60% of the insured's average monthly earnings is paid.

The minimum monthly old-age pension is 33% of the legal monthly minimum wage.

The legal monthly minimum wage is 2,041,123 guaraníes.

The maximum monthly old-age pension is 300 times the minimum daily wage.

The legal daily minimum wage is 78,505 guaraníes.

The pension is paid monthly plus a December bonus of one month of the pension.

Old-age benefits are payable abroad under bilateral or multilateral agreement.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living, depending on available funds.

**Old-age social pension (Pensión Alimentaria, social assistance, means tested):** At least 25% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 2,041,123 guaraníes.

### Permanent Disability Benefits

**Disability pension (social insurance):** 50% of the insured's average monthly earnings in the last 36 months before the disability began plus 1.5% of average monthly earnings for each 50-week period of contributions exceeding 150 weeks, up to 100%, is paid.

The minimum monthly disability pension is 33% of the legal monthly minimum wage.

The legal monthly minimum wage is 2,041,123 guaraníes.

The maximum monthly disability pension is 300 times the minimum daily wage.

The legal daily minimum wage is 78,505 guaraníes.

The pension is paid monthly plus a December bonus of one month of the pension.

Disability benefits are payable abroad under bilateral or multilateral agreement.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living, depending on the availability of funds.

### Survivor Benefits

**Survivor pension (social insurance):** 60% of the old-age or disability pension the deceased received or was entitled to receive is split equally among a widow(er) or partner older than age 40 and children younger than age 18.

A lump sum of three times the annual old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) or partner younger than age 40.

If there are no other eligible survivors, the pension is paid to the deceased's parents.

The pension is paid monthly plus a December bonus of one month of pension.

Remarriage settlement: A lump sum of twice the annual old-age or disability pension the deceased received or was entitled to receive is paid.

**Survivor grant (social insurance):** A lump sum of one month of the legal monthly minimum wage is paid for each year of contributions.

The legal monthly minimum wage is 2,041,123 guaraníes.

Survivor benefits are payable abroad under bilateral or multilateral agreement.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living and the availability of funds.

**Funeral grant (social insurance):** A lump sum of 75 times the legal daily minimum wage is paid.

The legal daily minimum wage is 78,505 guaraníes.

### Administrative Organization

Social Insurance Institute (<https://portal.ips.gov.py/>) administers and collects contributions for the social insurance program.

Directorate for Noncontributory Pensions (DPNC, <http://www.hacienda.gov.py/>), under the Ministry of the Interior, administers the old-age social pension.



## Sickness and Maternity

### Regulatory Framework

**First law:** 1943.

**Current laws:** 1992 (unified pension scheme), 1996 (medical benefits), and 2015 (household workers; medical care subsidy).

**Type of program:** Social insurance system.

### Coverage

#### Social insurance

Employed persons, including employees of decentralized state entities and enterprises partially owned by the state, household workers, and teachers.

Exclusions: Self-employed persons, public-sector employees, police and military personnel, railroad employees, and bank employees.

Special systems for pensioners, dockworkers, war veterans, and microentrepreneurs.

#### Social assistance

Citizens of Paraguay suffering from chronic diseases or requiring prolonged treatment.

### Source of Funds

#### Insured person

**Social insurance:** See source of funds under Old Age, Disability, and Survivors. Pensioners contribute 6% of their pensions.

**Social assistance:** None.

#### Self-employed person

**Social insurance:** Not applicable.

**Social assistance:** None.

#### Employer

**Social insurance:** See source of funds under Old Age, Disability, and Survivors. 2.5% of gross payroll for public health programs through the National Service for Malaria Eradication and job training and placement programs through the National Service for Professional Promotion (see Unemployment).

**Social assistance:** None.

#### Government

**Social insurance:** See source of funds under Old Age, Disability, and Survivors.

**Social assistance:** The total cost.

### Qualifying Conditions

**Cash sickness and maternity benefits (social insurance):** Must have at least four consecutive months of contributions. (Insured women may not receive cash maternity benefits and cash sickness benefits at the same time.)

**Benefits in kind (social insurance):** Must have at least one month of contributions.

**Medical benefits (social insurance):** The minimum contribution period varies according to the type of medical procedure or service.

**Medical care subsidy (social assistance):** Must incur travel costs for receiving treatment in a medical institution that is linked to the Ministry of Public Health and Social Welfare. Beneficiaries are selected based on the type of illness and required care, socioeconomic status, and the distance travelled to access medical services.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 50% of the insured's average daily earnings in the four months immediately before the incapacity began is paid from the day after the incapacity began for up to 26 weeks; may be extended for 24 weeks in special cases. The benefit is reduced by half during periods of hospitalization if there are no dependents.

**Maternity benefit (social insurance):** 50% of the insured's average daily earnings in the four months immediately before the maternity leave is paid for three weeks before and six weeks after the expected date of childbirth.

**Benefits in kind (social insurance):** Milk vouchers are provided for up to eight months if the mother is unable to nurse the child.

### Workers' Medical Benefits

**Medical benefits (social insurance):** The Social Insurance Institute provides medical services directly to patients. Benefits include general and specialist care, hospitalization, laboratory services, medicine, prostheses, dental care, and maternity care.

Benefits are paid for 26 weeks for any one illness; may be extended to up to 52 weeks in certain cases.

Public hospitals and clinics provide free essential health care to the general population, including poor and unemployed persons and their families. Benefits include reproductive health, maternity care, pediatric services, laboratory services, immunizations, and essential medicine.

Cost sharing: Social Insurance Institute facilities and public hospitals and clinics may require copayments.

The National Service for Malaria Eradication provides prevention and treatment for certain tropical diseases, including malaria, snail fever, dengue, chagas disease, and black fever.

## Paraguay

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**Medical care subsidy (social assistance):** A periodic subsidy of up to 10 times the legal monthly minimum wage is paid to cover travel costs for the duration of treatment.

The legal daily minimum wage is 78,505 guaranties.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

Eligible dependents include the wife of the insured or pensioner (or a partner who has lived with him for at least two years before the sickness began); unemployed husband; unmarried children younger than age 18 (no limit if disabled); and the insured's dependent parents older than age 60.

### **Administrative Organization**

Social Insurance Institute (<https://portal.ips.gov.py/>) administers the social insurance program and collects contributions.

Social Insurance Institute operates its own clinics and hospitals.

Ministry of Public Health and Social Welfare (<https://www.mspbs.gov.py/>) administers the medical care subsidy program, public health care and the National Service for Malaria Eradication programs.

## **Work Injury**

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### **Regulatory Framework**

**First laws:** 1927 and 1943.

**Current laws:** 1992 (unified pension scheme), 2013 (self-employed persons), and 2015 (household workers).

**Type of program:** Social insurance system.

### **Coverage**

Employed persons, including employees of decentralized state entities and enterprises partially owned by the state, municipal workers, household workers, and apprentices.

Voluntary coverage for self-employed persons and housewives.

Special systems for public-sector employees, teachers, police and military personnel, railroad employees, dock workers, bank employees, and microentrepreneurs.

### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

### **Temporary Disability Benefits**

75% of the insured's average monthly earnings in the last four months or the total contribution period, if shorter, is paid from the day after the disability began for up to 52 weeks.

A medical commission of three Social Security Institute doctors assess the degree of disability. The degree of disability is reviewed at least once every five years.

### **Permanent Disability Benefits**

**Permanent disability pension:** For an assessed degree of disability of at least 30%, 22.5% to 100% of the insured's average monthly earnings in the last 36 months before the disability began is paid, according to the number of contributions and the assessed degree of disability.

**Partial disability:** For an assessed degree of disability of up to 29%, 60% of the insured's lost earnings is paid for five years.

A medical commission of three Social Security Institute doctors assesses the degree of disability. The degree of disability is reviewed at least once every five years.

### **Workers' Medical Benefits**

Benefits include general and specialist care, hospitalization, medicine, and prostheses.

### **Survivor Benefits**

#### **Survivor pension**

**Spouse's pension:** 40% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow(er) or partner aged 40 or older.

A lump sum of three times the annual permanent disability pension the deceased received or was entitled to receive is paid to a widow(er) or partner younger than age 40.

The pension ceases upon remarriage or cohabitation and a lump sum of twice the annual permanent disability pension the deceased received or was entitled to receive is paid.

**Orphan's pension:** 20% of the permanent disability pension the deceased received or was entitled to receive is paid to each child younger than age 16 (no limit if disabled).

**Other eligible survivors pension:** If there is no eligible widow(er), partner, or child, the pension is paid to the deceased's parents.

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The maximum combined survivor benefit is 100% of the pension the deceased received or was entitled to receive.

Survivor benefits are payable abroad under bilateral or multilateral agreement.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

**Survivor grant:** If the deceased had less than 750 weeks of contributions at the time of death, a lump sum of one month of the legal monthly minimum wage for each year of contributions is paid.

The legal monthly minimum wage is 2,041,123 guaranties.

The survivor grant is payable abroad under bilateral or multilateral agreement.

**Funeral grant:** A lump sum of 75 times the legal daily minimum wage is paid.

The legal daily minimum wage is 78,505 guaranties.

### ***Administrative Organization***

Social Insurance Institute (<https://portal.ips.gov.py/>) administers the program.

Social Insurance Institute operates its own clinics and hospitals.

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## ***Unemployment***

### ***Regulatory Framework***

The 1993 labor code regulates severance pay for unjustified dismissal. A lump sum of 15 times the employee's daily wage for each year or fraction of a year of service above six months is paid.

Law No. 253 (1971) requires the National Service for Employment Promotion (SNPP), under the Ministry of Labor, Employment, and Social Security, to provide job training and placement programs.

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### ***Family Allowances***

#### ***Regulatory Framework***

No statutory benefits are provided.

The 1993 labor code requires employers to provide certain maternity and family allowance benefits to their employees based on the number of children an employee has.

## Peru

Exchange rate: US\$1.00 = 3.24 soles.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1936 (wage earners) and 1962 (salaried employees).

**Current laws:** 1973 (unified social security), 1992 (individual account), 2002 (early retirement), 2007 (early retirement for the unemployed), 2009 (early retirement in the private sector), 2011 (noncontributory old-age pension), 2012 (individual account), and 2012 (persons with disabilities).

**Type of program:** Social insurance, mandatory individual account, and social assistance system.

Note: When public- and private-sector employees enter the workforce, they may choose between the mandatory individual account system (SPP) and the public social insurance system (SNP). Insured persons who do not make a choice become SPP members.

SNP members may switch to the SPP but may switch back only under certain conditions.

#### Coverage

**Social insurance (SNP):** Public- and private-sector employees, including employees of worker-owned and cooperative enterprises, teachers, artists, household workers, seamen, journalists, and tannery workers.

Voluntary coverage for certain self-employed workers and housewives.

Special systems for fishermen, diplomats, certain public-sector employees, and military and police personnel.

**Mandatory individual account (SPP):** Public- and private-sector employees.

Voluntary coverage for self-employed persons.

**Social assistance:** Needy citizens of Peru.

#### Source of Funds

##### Insured person

**Social insurance (SNP):** 13% of gross earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 850 soles.

There are no maximum earnings used to calculate contributions.

**Mandatory individual account (SPP):** 10% of gross earnings; 8% for fishermen; 11% for construction workers; 2% for miners (old-age benefits) plus an average of 1.5775% of gross earnings for persons insured before February 2013, or an average of 0.6325% a month plus 1.2% to 1.5% of the account balance a year for persons insured since February 2013 (administrative fees) and 1.36% of covered earnings (disability and survivor insurance) (January 2018).

There are no maximum earnings used to calculate contributions for old-age benefits or administrative fees.

The maximum monthly earnings used to calculate contributions for disability and survivor insurance are 9,290.07 soles.

Voluntary contributions are possible.

**Social assistance:** None.

##### Self-employed person

**Social insurance (SNP):** 13% of gross monthly declared earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 850 soles.

There are no maximum earnings used to calculate contributions.

**Mandatory individual account (SPP):** 10% of gross earnings (old-age benefits) plus a percentage of gross earnings (administrative fees) and 1.36% of covered earnings (disability and survivor insurance). The percentage of contributions for old-age benefits is regulated by law; the percentages of administrative fees and contributions to disability and survivor insurance are determined by the AFPs.

There are no maximum earnings used to calculate contributions for old-age benefits or administrative fees.

The maximum monthly earnings used to calculate contributions for disability and survivor insurance are 9,290.07 soles.

**Social assistance:** None.

##### Employer

**Social insurance (SNP):** None.

**Mandatory individual account (SPP):** None; 5% of gross payroll or fishermen, 1% for construction workers; 2% for miners.

**Social assistance:** None.

##### Government

**Social insurance (SNP):** Special subsidies as needed.

**Mandatory individual account (SPP):** Finances the value of accrued rights under the SNP.

**Social assistance:** The total cost.

## Qualifying Conditions

**Old-age pension (SNP, social insurance):** Age 65 with at least 20 years of contributions.

Early pension: Age 55 with at least 30 years of contributions (men) or age 50 with at least 25 years of contributions (women); age 55 (men) or age 50 (women) with at least 20 years of contributions in cases of a collective lay-off from employment.

Dependent's supplement: Paid for a dependent spouse or a child younger than age 18 (no limit if a student or disabled).

**Old-age family pension (SNP, social insurance):** Paid at the normal retirement age to a married couple or a couple in a recognized partnership with at least 20 years of combined contributions but who are not entitled to receive an SNP old-age pension.

**Old-age pension (SPP, mandatory individual account):** Age 65; at any age if the account balance is sufficient to finance a benefit of at least 40% of the insured's average indexed earnings in the last 120 months.

Guaranteed minimum old-age pension: Must be born before January 1, 1946, have at least 20 years of contributions paid on earnings equal to or greater than the legal monthly minimum wage, and have an account balance that is insufficient to finance the minimum monthly pension set by law.

The legal monthly minimum wage is 850 soles.

The minimum monthly pension is 415 soles.

**Noncontributory old-age pension (Pensión 65, social assistance, means tested):** Age 65 and not receiving any other pension or any benefits administered by the social security health insurance program (EsSalud).

Means test: Must be classified as extremely poor according to the Sistema de Focalización de Hogares (SISFOH).

The SISFOH is a national system to target needy households based on earnings, expenditures, and a quality of life index.

**Disability pension (SNP, social insurance):** Must have at least a 66.7% assessed loss of earning capacity and at least 15 years of contributions; or at least 36 months of contributions, including at least 12 months of contributions in the 36 months before the disability began, if the insured has at least three but less than 15 years of contributions. Must have been covered when the disability began, unless the insured has at least 15 years of contributions or at least 18 months of contributions in the 36 months before the disability began.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

**Disability pension (SPP, mandatory individual account):** Must have at least a 50% assessed loss of earning capacity and not be receiving an SPP old-age pension.

A medical committee assesses the degree of disability.

Guaranteed minimum disability pension: Paid if the account balance is insufficient to finance the permanent disability pension the insured would have been entitled to receive.

**Noncontributory disability pension (social assistance, means tested):** Must be assessed with a severe and permanent disability and not be receiving or entitled to receive any other pension.

Means test: Must be classified as poor according to the Sistema de Focalización de Hogares (SISFOH).

The SISFOH is a national system to target needy households based on earnings, expenditures, and a quality of life index.

**Survivor pension (SNP, social insurance):** The deceased received or was entitled to receive an SNP old-age or disability pension at the time of death.

Eligible survivors include a widow or female partner, a dependent widower older than age 60 or disabled, children younger than age 18 (no limit if a student or disabled), a dependent father older than age 60 or disabled, and a dependent mother older than age 55 or disabled.

The pension ceases if the widow(er) remarries or if a disabled widower is assessed as capable of working.

Remarriage settlement: Paid to a widow(er) receiving a SNP spouse's pension upon remarriage.

Constant-attendance supplement: The survivor requires the constant attendance of others to perform daily functions.

**Survivor pension (SPP, mandatory individual account):** The deceased received an SPP old-age or disability pension or had at least four months of contributions in the last eight months before death.

Eligible survivors include a widow(er) or partner, children younger than age 18 (no limit if disabled), a dependent mother older than age 50 and a dependent father older than age 60.

Guaranteed minimum survivor pension: Paid if the deceased's account balance is insufficient to finance the pension the survivors would have been entitled to receive.

**Death grant (Capital de Defunción, SNP, social insurance):** The deceased received or was entitled to receive an SNP old-age or disability pension; legal heirs are not entitled to receive a survivor pension.

**Funeral grant (SPP, mandatory individual account):** The deceased received or was entitled to receive an SPP old-age or disability pension.

## Old-Age Benefits

**Old-age pension (SNP, social insurance):** 30% to 45% of the insured's average monthly earnings in the last 60 months, according to the insured's age on June 14, 2002



(30% if younger than age 31, 35% if aged 31 to 39, 40% if aged 40 to 49, or 45% if older than age 49), plus 2% of average monthly earnings for each additional year of contributions exceeding 20, up to 100%, is paid to persons born after December 31, 1946.

50% of the insured's reference salary plus 4% of the reference salary for each additional year of contributions exceeding 20 years is paid to men born after December 18, 1932, and women born after December 18, 1937, but before January 1, 1947.

The reference salary for persons with 20 to 24 years of contributions is the insured's average monthly earnings in the last five years; with 25 to 30 years, average monthly earnings in the last four years; with more than 30 years, average monthly earnings in the last three years.

50% of the reference salary plus 2% (men) or 2.5% (women) of the reference salary for each additional year of contributions exceeding 15 or 13 years, respectively, is paid to men born up to December 18, 1932, and women born up to December 18, 1937.

The reference salary is the insured's average monthly earnings in the last 12, 36, or 60 months, depending on the choice of the insured.

Early pension: The pension is reduced by 4% for each year that the pension is claimed before the normal retirement age.

Dependent's supplement: 2% to 10% of the insured's reference salary is paid for a spouse and 2% to 5% is paid for each eligible child.

The minimum old-age monthly pension is 415 soles.

The maximum monthly old-age pension is 857.36 soles.

Retirement is not necessary if the insured's total monthly income does not exceed half of the tax reference unit (Unidad Impositiva Tributaria, UIT).

The UIT is 4,050 soles a year (4,150 soles as of January 2018).

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

**Old-age pension (SPP, mandatory individual account):**

The insured has five different payment options: periodic withdrawals, a personal annuity, a joint survivor life annuity, a deferred annuity combined with temporary periodic withdrawals, or a lump-sum withdrawal of 95.5% of the total account balance.

Guaranteed minimum pension: The difference between the account balance and the minimum monthly pension set by law is paid.

The minimum monthly pension is 415 soles.

If the insured chooses the lump-sum withdrawal, the remaining 4.5% finances medical benefits (see source of funds under Sickness and Maternity).

**Noncontributory old-age pension (Pensión 65, social assistance, means tested):** 250 soles is paid every two months.

**Permanent Disability Benefits**

**Disability pension (SNP, social insurance):** 50% of the insured's reference salary plus 1% of the reference salary for each year of contributions exceeding three years is paid. For a contribution period of one to three years, 16.7% of the insured's reference salary is paid for each year of contributions.

The reference salary is the insured's average monthly earnings in the last 12 months; for self-employed persons, the reference salary is the insured's average monthly earnings in the last 60 months.

The minimum monthly disability pension is 415 soles.

The maximum monthly disability pension is 857.36 soles.

Dependent's supplement: 2% to 10% of the insured's reference salary is paid for a spouse and 2% to 5% for each child. The amount is reduced if earnings plus pension income exceed the insured's former average earnings.

Constant-attendance supplement: The legal monthly minimum wage is paid.

The legal monthly minimum wage is 850 soles.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

**Disability pension (SPP, mandatory individual account):**

The pension is calculated based on the insured's average monthly earnings and the assessed degree of disability.

Guaranteed minimum disability pension: Disability insurance pays the difference between the disability pension covered by the account balance and the permanent disability pension the insured would have been entitled to receive.

**Noncontributory disability pension (social assistance):** 150 soles a month is paid.

The pension is paid every two months.

**Survivor Benefits**

**Survivor pension (SNP, social insurance)**

*Spouse's pension:* 50% of the SNP old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er).

Remarriage settlement: A lump sum of 12 times the spouse's pension is paid to the widow(er).

*Orphan's pension:* 50% of the SNP old-age or disability pension the deceased received or was entitled to receive is paid for eligible children.

*Dependent parent's pension:* If there is no eligible widow(er) or orphan, 20% of the SNP old-age or disability

pension the deceased received or was entitled to receive is paid to each dependent parent.

The maximum combined survivor benefit is 100% of the SNP old-age or disability pension the deceased received or was entitled to receive or 857.36 soles a month, whichever is less.

Constant-attendance supplement: The legal monthly minimum wage is paid.

The legal monthly minimum wage is 850 soles.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

**Survivor pension (SPP, mandatory individual account):**

The pension is based on the deceased's average monthly earnings in the last 48 months before death, according to a schedule in law.

Guaranteed minimum survivor pension: Life insurance pays the difference between the survivor pension covered by the deceased's account balance and the pension the survivors would have been entitled to receive.

**Death grant (Capital de Defunción, SNP, social insurance):** A lump sum of up to six times the deceased's average monthly income in the last 60 months before death is paid.

The maximum monthly earnings used to calculate the death grant are 857 soles.

**Funeral grant (SPP, mandatory individual account):** A lump sum of up to 4,127.17 soles is paid (December 2016).

Benefit adjustment: Benefits are adjusted quarterly according to changes in the consumer price index.

## Administrative Organization

### Social insurance (SNP)

Comptroller General of the Republic (<http://www.contraloria.gob.pe/>) provides general supervision.

Office of Social Security Normalization (<https://www.onp.gob.pe/>) administers the program and some special schemes.

National Superintendent of Tax Administration (<http://www.sunat.gob.pe/>) collects contributions.

### Mandatory Individual account (SPP)

Superintendent of Banks, Insurance, and AFPs (<http://www.sbs.gob.pe/>) is responsible for licensing and supervising pension fund administrators (AFPs) and insurance companies.

AFPs administer the individual accounts and contract with insurance companies for disability and survivor insurance.

### Social assistance

Ministry of Development and Social Inclusion (<http://www.midis.gob.pe/>) provides general supervision.

National Solidarity Assistance Program–Pensión 65 program office (<http://www.pension65.gob.pe/>) administers the Pensión 65 program.

Ministry of Development and Social Inclusion (<http://www.midis.gob.pe/>) administers the noncontributory disability pension.

## Sickness and Maternity

### Regulatory Framework

**First laws:** 1936 (wage earners) and 1948 (salaried employees).

**Current laws:** 1997 (healthcare modernization), 1999 (health insurance EsSalud), 1999 (self-employed fishermen and fish processors), 2000 (agricultural workers), 2001 (aquacultural workers), 2002 (integrated health system), 2003 (social security health insurance administration), 2003 (household workers), 2004 (maternity benefits), 2006 (pensioners), 2009 (universal health insurance), 2011 (dock workers), and 2011 (maternity benefits).

**Type of program:** Social insurance and mandatory private insurance system.

Note: Insured persons and their dependents can opt to receive basic health care from a private health care provider (EPS) if it offers equivalent or more generous benefits than the minimum health care plan established by law (Plan Esencial de Aseguramiento en Salud). Under this option, the insured persons remain covered by the social security health insurance program (EsSalud) for more serious conditions and specialized care.

### Coverage

Public- and private-sector employees; employees of worker-owned and cooperative enterprises; household workers; agricultural workers; self-employed fishermen and fish processors; pensioners; and spouses, partners, and children or dependents of insured persons.

Pensioners are covered for medical benefits, the nursing allowance, and the funeral grant only.

Voluntary coverage for self-employed persons (medical benefits only), housewives, and other persons without a dependent work relation.

### Source of Funds

**Insured person:** None; pensioners contribute 4% of the pension; pensioners who opt for a lump-sum payment at retirement under the mandatory individual account (SPP) program pay a one-time contribution of 4.5% of their total account balance for medical benefits.

**Self-employed person:** 64 soles a month, plus an additional flat-rate contribution for each dependent for insured persons covered before 2016, and 137 to 215 soles a month for persons covered since 2016, depending on the age of the

insured (medical benefits only); 9% of the legal monthly minimum wage for fishermen; 9% of the sales value for fish processors; 4% of the legal monthly minimum wage for agricultural workers.

The legal monthly minimum wage is 850 soles.

**Employer:** 9% of the monthly payroll; 4% for agricultural workers. (Employers providing health services directly to their employees or who use services provided under contract by a private health care provider (EPS) receive a 2.5% credit toward the cost of contributions.)

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 850 soles.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

**Sickness, medical, and funeral benefits:** Must have at least three consecutive months of contributions or at least four months of contributions in the six months before the incapacity began. There is no qualifying period for pensioners or in the case of accidents. Agricultural and dock workers must have at least three consecutive months or four months of contributions in the 12 months before the incapacity began; fishermen and fish processors must have at least three consecutive months of contributions.

**Cash maternity benefit and nursing allowance:** Must have at least three consecutive months of contributions or at least four months of contributions in the six months before becoming pregnant. Agricultural and dock workers must have at least three consecutive months of contributions or at least four months of contributions in the 12 months prior to becoming pregnant and must have contributed during the month in which the child is born. The nursing allowance is not paid to agricultural workers.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 100% of the insured's average daily earnings in the last four months is paid after a 1-day waiting period for up to 11 months and 10 days or for up to 540 nonconsecutive days in a three-year period. The employer pays the benefit in the first 20 days; afterwards the benefit is paid by health insurance.

**Maternity benefit:** 100% of the insured's average daily earnings in the last four months is paid, up to a maximum earnings level, for 98 days. The benefit may be extended for up to 30 additional days for multiple births or the birth of a child with a disability.

**Nursing allowance:** A lump sum of 820 soles is paid for each child.

**Funeral grant:** A lump sum of up to 2,070 soles is paid to the person who paid for the funeral.

The benefit cannot be combined with the funeral or death grant paid under Old-age, Disability, and Survivors, and is not paid if death is the result of a work injury.

### **Workers' Medical Benefits**

Benefits are paid for prevention, health promotion, and health recovery. They include general, specialist, maternity, and dental care; hospitalization; laboratory services; appliances; medicine; rehabilitation; health education; preventive care; and immunization.

Employees have the option of receiving medical benefits from EsSalud or from an EPS provider. To opt for an EPS provider, 51% of the company's employees must agree to the change.

A copayment of 2% to 10% of monthly income is required for medical benefits offered by an EPS provider.

The program for the voluntary insured covers ambulatory care and hospitalization, emergency care, maternity care, and medicines and medical supplies.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

Eligible dependents include the insured's spouse or partner and children younger than age 17 (no limit if disabled).

### **Administrative Organization**

Social Security Health Insurance (EsSalud) (<http://www.essalud.gob.pe/>) administers the program.

National Superintendent of Health (SUSALUD) authorizes and supervises private health providers (EPS).

National Superintendent of Customs and Tax Administration (SUNAT) (<http://www.sunat.gob.pe/>) collects contributions.

### **Work Injury**

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#### **Regulatory Framework**

**First laws:** 1911 (work injury) and 1935 (occupational diseases).

**Current laws:** 1997 (health), 1998 (work injury), 2009 (health insurance), and 2011 (workplace health and safety).

**Type of program:** Social insurance system.

#### **Coverage**

Public- and private-sector employees, self-employed persons, and employees of worker-owned and cooperative enterprises working in high-risk activities listed by the government.

## Source of Funds

**Insured person:** None.

**Self-employed person:** A flat-rate monthly contribution of 13 to 37 soles, according to the sector and associated risk.

**Employer:** 0.63% to 1.83% of covered payroll, according to the sector and associated risk.

The maximum monthly earnings used to calculate contributions are six times the legal monthly minimum wage.

The legal monthly minimum wage is 850 soles.

**Government:** None; contributes as an employer.

## Qualifying Conditions

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are not covered.

## Temporary Disability Benefits

See sickness benefit under Sickness and Maternity.

## Permanent Disability Benefits

**Permanent disability pension:** For an assessed degree of disability of at least 66.67%, 70% of the insured's average earnings is paid.

Constant-attendance benefit: 100% of the insured's average earnings is paid if the insured requires constant attendance of others to perform daily functions.

Partial disability: For an assessed degree of disability of 50% to 66.66%, a reduced permanent disability pension is paid according to the assessed degree of disability. For less than a 50%, assessed degree of disability a lump sum of two years of the permanent disability pension is paid.

## Workers' Medical Benefits

Benefits include necessary medical, surgical, rehabilitation, and hospital care and appliances until full recovery or certification of permanent disability.

## Survivor Benefits

### Survivor pension

**Spouse's pension:** 42% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow or a dependent widower aged 60 or older (no limit if disabled).

The pension ceases if the widow(er) remarries or if a disabled widower is assessed as capable of working.

**Orphan's pension:** 42% of the permanent disability pension the deceased received or was entitled to receive is paid to a full orphan younger than age 18 (age 21 if a student, no limit if disabled); 14% for each full orphan if there is more than one.

The legal monthly minimum orphan's pension is 415 soles.

**Dependent parent's pension:** If there is no eligible widow(er) or orphan, 14% of the permanent disability pension the deceased received or was entitled to receive is paid to each dependent parent.

The maximum combined survivor pension is 100% of the permanent disability pension the deceased received or was entitled to receive or 857.36 soles a month, whichever is less.

**Funeral grant:** A lump sum of up to six times the legal monthly minimum wage is paid.

The legal monthly minimum wage is 850 soles.

## Administrative Organization

Comptroller General of the Republic (<http://www.contraloria.gob.pe/>) provides general supervision.

Office of Social Security Normalization (<http://www.onp.gob.pe/>) administers the program.

## Unemployment

### Regulatory Framework

When an employment contract ends, the labor code requires private-sector employers to provide a severance payment of 1.5 times the employee's last monthly salary for each year of employment, up to 12 times the employee's last monthly salary.

## Family Allowances

### Regulatory Framework

**First and current law:** 1989 (family benefit), implemented in 1990.

**Type of program:** Employer-liability system.

### Coverage

Private-sector employees with salaries that are not regulated by collective agreement.

Exclusions: Self-employed persons.

## Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost.

**Government:** None.

## Qualifying Conditions

Must be currently employed and have at least one child younger than 18 (age 24 if a student).

## Peru

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If a qualifying employee has multiple employers, the family allowance is paid by each employer.

### ***Family Allowance Benefits***

A monthly allowance of 10% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 850 soles.

### ***Administrative Organization***

Employers pay the family allowance directly to employees.

National Labor Superintendence (SUNAFIL) (<https://www.sunafil.gob.pe/>) provides general supervision.



## Saint Kitts and Nevis

Exchange rate: US\$1.00 =  
2.70 East Caribbean dollars (EC\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1968 (provident fund).

**Current laws:** 1977 (social security), implemented in 1978; and 1998 (social assistance).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed and self-employed persons, including apprentices.

Voluntary coverage for previously insured persons with at least two years of contributions.

Exclusions: Unpaid family labor.

Special system for civil servants.

**Social assistance:** Needy elderly or disabled residents of Saint Kitts and Nevis.

#### Source of Funds

##### Insured person

**Social insurance:** 5% of weekly or monthly covered earnings if aged 16 to 62 (including voluntarily insured persons); none if younger than age 16 or older than age 62.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$6,500.

The insured person's contributions, except if voluntarily insured, also finance cash sickness and maternity benefits.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 10% of monthly earnings, according to earnings categories ranging from EC\$200 to EC\$1,500 a week.

The self-employed person's contributions also finance cash sickness and maternity benefits.

**Social assistance:** None.

#### Employer

**Social insurance:** 5% of monthly covered payroll for employees aged 16 to 62; none for employees younger than age 16 or older than age 62.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$6,500.

The employer's contributions also finance cash sickness and maternity benefits.

**Social assistance:** None.

#### Government

**Social insurance:** None; contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 62 with at least 500 weeks of paid or credited contributions, including at least 150 weeks of paid contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, disability, or work injury benefits.

**Old-age grant (social insurance):** Age 62 with at least 50 but less than 500 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, disability, or work injury benefits.

Social insurance old-age benefits are payable abroad under certain conditions.

**Old-age social pension (social assistance, means tested):** Must be older than age 62, not in gainful employment, and not meet the contribution requirements for the old-age pension or old-age grant.

Social assistance benefits are not payable abroad.

**Disability pension (social insurance):** Must be aged 16 to 61, assessed with a disability that has lasted for at least 26 weeks and is likely to remain permanent, and have at least 150 weeks of paid contributions.

The Social Security Medical Board assesses the degree of disability at least every three years or at any period according to the advice of a medical practitioner.

Social insurance disability benefits are payable abroad under certain conditions.

**Disability social pension (social assistance, means tested):** Must be aged 16 to 61, be assessed with a disability that have lasted for at least 26 weeks and is likely to remain permanent, be unable to work, have no secure source of income or other support, and have less than 150 weeks of paid contributions.

The Social Security Medical Board assesses the degree of disability at least every three years or at any period according to the advice of a medical practitioner.

Social assistance benefits are not payable abroad.

**Survivor pension (social insurance):** The deceased had at least 150 weeks of paid contributions or received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a widow(er) who was married to or cohabited with the deceased for at least three years, children younger than age 16 (age 18 if a full-time student, no limit if disabled), and dependent parents.

The widow(er)'s pension ceases upon remarriage or cohabitation.

Survivor benefits are payable abroad under certain conditions.

**Survivor grant (social insurance):** The deceased had at least 50 weeks of paid or credited contributions but did not meet the contribution requirements for an old-age or disability pension at the time of death.

Contributions are credited for each complete contributory week the deceased received sickness, maternity, disability, or work injury benefits.

Eligible survivors include a widow(er) aged 45 or older who was married to or cohabited with the insured for at least three years and children younger than age 16 (age 18 if a full-time student, no limit if disabled).

Survivor benefits are payable abroad under certain conditions.

**Funeral grant (social insurance):** The deceased had at least 26 weeks of paid contributions at the time of death.

### Old-Age Benefits

**Old-age pension (social insurance):** The weekly pension is 30% of the insured's average annual earnings plus 2% for each 50-week period of paid or credited contributions exceeding 500, up to 799, and 1% for each 50-week period of contributions exceeding 799; the sum is divided by 52. The pension is paid monthly.

Average annual earnings are based on the insured's best three years of earnings in the last 15 years of contributions.

The minimum monthly old-age pension is EC\$430.

The maximum monthly old-age pension is 60% of the insured's monthly earnings or EC\$3,900, whichever is less.

**Old-age grant (social insurance):** A lump sum of six times the insured's average weekly earnings for each 50-week period of paid or credited contributions, up to 499, is paid.

The insured's contributions are refunded with less than 50 weeks of contributions.

**Old-age social pension (social assistance, means tested):** EC\$255 a month is paid.

### Permanent Disability Benefits

**Disability pension (social insurance):** The monthly pension is 30% of the insured's average annual earnings plus 2% for each 50-week period of paid or credited contributions exceeding 500, up to 799, and 1% for each 50-week period of contributions exceeding 799; the sum is divided by 12.

Average annual earnings are based on the insured's best three years of earnings in the last 15 years of contributions.

The benefit is paid after the 26 weeks of sickness benefit have been exhausted or after the disability has lasted for at least 26 weeks.

The minimum monthly disability pension is EC\$430.

The maximum monthly disability pension is 60% of the insured's monthly earnings or EC\$3,900, whichever is less.

**Disability social pension (social assistance, means-tested):** EC\$255 a month is paid.

### Survivor Benefits

#### Survivor pension (social insurance)

*Spouse's pension:* 50% of the old-age or disability pension the deceased received or was entitled to receive is paid.

A pension is paid for a year if the widow(er) is younger than age 45 or was married to or cohabited with the deceased for less than three years.

The minimum monthly spouse's pension is EC\$215.

The maximum monthly spouse's pension is EC\$1,950.

*Orphan's pension:* 16.7% of the old-age or disability pension the deceased received or was entitled to receive is paid to each orphan. If the orphan has a disability, 33.3% is paid.

The minimum monthly orphan's pension is EC\$206.40.

The maximum monthly orphan's pension is EC\$650.

*Dependent parent's pension:* Up to 16.7% of the old-age or disability pension the deceased received or was entitled to receive is paid.

The pension is paid for a year if the dependent parent is unemployed and younger than age 62; for life if the dependent parent is disabled, or aged 62 or older and not receiving any other allowance.

The minimum monthly dependent parent's pension is EC\$103.20.

The maximum monthly dependent parent's pension is EC\$650.

The maximum combined survivor pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Survivor grant (social insurance):** A lump sum of six times the deceased's average weekly earnings for each 50-week period of paid or credited contributions is paid.

The deceased's contributions are refunded if the deceased had less than 50 weeks of contributions at the time of death.

**Funeral grant (social insurance):** A lump sum of up to EC\$2,500 is paid for the funeral of the insured or his or her spouse; up to EC\$1,600 for a dependent child. The grant is paid to the person who pays for the funeral. A lower sum will only be paid if the funeral costs are lower than the grant.

### **Administrative Organization**

Ministry of Nevis Affairs, Labour, Social Security, and Ecclesiastical Affairs provides general supervision of the social insurance program.

Social Security Board (<https://www.socialsecurity.kn/>) administers the social insurance program and collects contributions.

Social Development Assistance Board administers the social assistance program.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First and current law:** 1977 (social security).

**Type of program:** Social insurance system. Cash benefits only.

#### **Coverage**

Employed and self-employed persons.

Voluntary coverage is not available.

#### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

#### **Qualifying Conditions**

**Cash sickness benefit:** Must be younger than age 62, be employed the day before the incapacity began, and have at least 26 weeks of paid contributions, including eight weeks in the 13 weeks before the incapacity began.

**Cash maternity benefit:** Must have at least 39 weeks of paid contributions, including 20 weeks in the 39 weeks

preceding the six weeks before the expected date of childbirth or the week in which the claim is made, whichever is later.

**Maternity grant:** Paid to an insured woman or the wife of an insured man with at least 39 weeks of paid contributions, including 20 weeks in the 39 weeks preceding the six weeks before the expected date of childbirth or the week in which the claim is made, whichever is later.

### **Sickness and Maternity Benefits**

**Sickness benefit:** The daily benefit is 65% of the insured's average weekly covered earnings divided by six and is paid for up to 26 weeks. The benefit is paid retroactively from the first day if the incapacity lasts for four or more days.

**Maternity benefit:** The daily benefit is 65% of the insured's average weekly covered earnings divided by six and is paid for 13 weeks, beginning up to six weeks before the expected date of childbirth.

**Maternity grant:** A lump sum of EC\$450 is paid for each birth.

### **Workers' Medical Benefits**

No social insurance statutory benefits are provided.

Free or subsidized medical care is provided at public hospitals and health centers.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### **Administrative Organization**

Ministry of Nevis Affairs, Labour, Social Security, and Ecclesiastical Affairs provides general supervision.

Social Security Board (<https://www.socialsecurity.kn/>) administers the program and collects contributions.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1955 (workmen's compensation).

**Current law:** 1985 (social security), implemented in 1986.

**Type of program:** Social insurance system.

#### **Coverage**

Employed persons.

Voluntary coverage is not available.

Exclusions: Unpaid family labor and self-employed persons.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 1% of monthly covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$6,500.

**Government:** None; contributes as an employer.

### Qualifying Conditions

Must be assessed with a work injury or occupational disease.

### Temporary Disability Benefits

75% of the insured's average weekly covered earnings is paid retroactively from the first day if the disability lasts for four or more days. The benefit is paid for up to 26 weeks.

There is no minimum benefit.

The maximum daily benefit is EC\$187.50.

### Permanent Disability Benefits

For a total (100%) disability, 75% of the insured's average weekly covered earnings is paid.

The Social Security Medical Board assesses and periodically reviews the degree of disability.

Constant-attendance supplement: Paid if the insured is assessed with a total disability and requires the constant attendance of others to perform daily functions. The supplement should meet the reasonable cost of care.

Partial disability: For an assessed degree of disability of at least 20% but less than 100%, a percentage of the full pension is paid according to the assessed degree of disability. For an assessed degree of less than 20%, a lump sum is paid.

### Workers' Medical Benefits

Benefits for the treatment of work injuries and occupational diseases include the reimbursement of reasonable expenses for medical, surgical, dental, hospital, and nursing care; medicine; appliances; and transportation.

### Survivor Benefits

#### Survivor pension

*Spouse's pension:* 50% of the permanent total disability pension the deceased received or was entitled to receive is paid to the widow(er).

The minimum monthly spouse's pension is EC\$215.

The maximum monthly spouse's pension is EC\$1950.

*Orphan's pension:* Up to 16.7% of 75% of the deceased's average weekly covered earnings is paid to each child

younger than age 16 (age 18 if a full-time student, no limit if disabled).

*Dependent parent's pension:* Up to 16.7% of 75% of the deceased's average weekly covered earnings is paid to each parent.

The minimum monthly dependent parent's pension is EC\$103.20.

The maximum monthly dependent parent's pension is EC\$650.

The maximum combined survivor pension is 100% of the permanent total disability pension the deceased received or was entitled to receive.

**Funeral grant:** If the insured's death was the result of a work-related injury or occupational disease, a lump sum of EC\$4,000 is paid to the person who paid for the funeral.

### Administrative Organization

Ministry of Nevis Affairs, Labour, Social Security, and Ecclesiastical Affairs provides general supervision.

Social Security Board (<https://www.socialsecurity.kn/>) administers the program and collects contributions.

### Unemployment

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#### Regulatory Framework

The 1986 Protection of Employment Act requires employers to provide severance pay to employees with at least one year of continuous service and to certain seasonal workers. Severance is paid in cases of certified illness or disability that has lasted for at least three months and is likely to be permanent, redundancy, death of the employer that results in cessation of business operations, and liquidation or bankruptcy. For employees with at least 10 years of continuous employment with the same employer, severance is also paid in cases of death due to work-related causes or upon retirement after age 62. The amount varies according to the years of continuous service: two weeks of pay for each year of service from one year to four years of service, plus three weeks for each year of service from five years to ten years of service, plus four weeks for each year of service exceeding 10 years of service, up to a total of 52 weeks.

### Family Allowances

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#### Regulatory Framework

Under the 1998 Social Development Assistance Act, cash and in-kind transfers are available to needy households.



## Saint Lucia

Exchange rate: US\$1.00 =  
2.70 East Caribbean dollars (EC\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1970 (provident fund) and 1978 (social insurance), implemented in 1979.

**Current laws:** 2000 (national insurance corporation) and 2003 (national insurance).

**Type of program:** Social insurance system.

#### Coverage

Employed persons, self-employed persons, and apprentices.

Voluntary coverage (old-age benefits only) for nonemployed persons.

Special system for civil servants employed prior to February 1, 2003.

#### Source of Funds

**Insured person:** 5% of monthly covered earnings; 10% of reference earnings, according to stipulated wage categories, for the voluntarily insured.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are EC\$60,000.

The insured person's contributions also finance sickness, maternity, and work injury benefits.

**Self-employed person:** 10% of reference earnings, according to stipulated wage categories.

The minimum monthly earnings used to calculate contributions are EC\$50.

The maximum annual earnings used to calculate contributions are EC\$60,000.

The self-employed person's contributions also finance sickness and maternity benefits.

**Employer:** 5% of monthly covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are EC\$60,000.

The employer's contributions also finance sickness, maternity, and work injury benefits.

**Government:** None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension:** Age 65 with at least 180 months of contributions.

Early pension: Age 60 with at least 180 months of contributions. Employment must cease.

**Old-age grant:** Age 65 with less than 180 months of contributions.

All old-age benefits are payable abroad, subject to conditions.

**Disability pension:** Must be younger than the normal retirement age with at least 60 months of contributions, including at least 36 consecutive months before the disability began, or at least 180 months of contributions. Must be assessed with at least a 30% permanent loss of work capacity that is not the result of a work injury and not receive a cash sickness benefit.

A registered medical doctor assesses the degree of disability at least every two years.

**Disability grant:** Must be assessed with less than a 30% permanent loss of work capacity that is not the result of a work injury, not receive a cash sickness benefit, and not meet the contribution requirements for a disability pension.

A registered medical doctor assesses the degree of disability.

All disability benefits are payable abroad, subject to conditions.

**Survivor pension:** The deceased received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a widow(er) married to the insured for at least three years, or a common-law spouse; dependent children younger than age 16 (age 18 if a full-time student, no limit if disabled); and aged, dependent parents or grandparents if there are no other survivors.

The widow(er)'s pension ceases upon remarriage or cohabitation.

**Survivor grant:** The deceased did not meet the contribution requirements for an old-age or disability pension at the time of death.

**Funeral grant:** The deceased received or was entitled to receive an old-age or disability pension at the time of death, had at least six months (12 months for self-employed persons) of contributions in the 12 months before death, or had paid contributions in the amount of the benefit (up to EC\$2,500). Paid to the person who pays for the funeral on the death of the deceased or his or her spouse or dependent child.

All survivor benefits are payable abroad, subject to conditions.



### **Old-Age Benefits**

**Old-age pension:** 40% of the insured's average covered earnings in the best five years plus 0.1% of average covered earnings for each month of contributions exceeding 180 months is paid.

The maximum annual earnings used to calculate benefits are EC\$60,000.

The minimum monthly old-age pension is EC\$300.

The maximum monthly old-age pension is 60% of the insured's average covered earnings.

**Early pension:** The pension is reduced by 0.5% for each month the pension is claimed before the normal retirement age.

**Old-age grant:** 0.67% of the insured's average annual covered earnings for each month of contributions after March 1979 is paid. Persons insured under the old provident fund system also receive a lump sum of 100% of the balance of the provident fund account plus accrued interest.

Note: Effective April 1979, Saint Lucia replaced their provident fund system with a social insurance system.

### **Permanent Disability Benefits**

**Disability pension:** With at least 60 months but less than 180 months of contributions, 35% of the insured's average covered earnings is paid. With at least 180 months of contributions, 40% of the insured's average covered earnings plus 0.1% of average covered earnings for each month of contributions exceeding 180 months is paid.

Average covered earnings are based on the insured's earnings in the best five years, up to a maximum of EC\$60,000.

The minimum monthly disability pension is EC\$300.

The maximum monthly disability pension is 60% of the insured's average covered earnings.

**Disability grant:** 0.67% of the insured's average annual covered earnings for each month of contributions after March 1979 is paid. Persons insured under the old provident fund system also receive a lump sum of 100% of the balance of the provident fund account plus accrued interest.

Note: Effective April 1979, Saint Lucia replaced their provident fund system with a social insurance system.

### **Survivor Benefits**

#### **Survivor pension**

**Spouse's pension:** If there are no other survivors, 75% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) for a year (for life if aged 55 or older or disabled); 50% if there are other dependent survivors for a year (for life if aged 55 or older or disabled) or until the youngest child reaches age 16 (age 18 if a full-time student).

**Orphan's pension:** 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to an eligible child; 50% of the old-age or disability pension each insured parent was entitled to receive for a full orphan.

**Other dependent's pension:** If there are no other survivors, 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to an aged, dependent parent or grandparent, for a year (for life if they have reached the early retirement age).

The maximum combined survivor pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Survivor grant:** A lump sum at least equal to the value of the old-age or disability grant the deceased would have been entitled to receive is paid.

**Funeral grant:** The cost of the funeral is paid, up to EC\$2,500 for an insured person, EC\$2,150 for a spouse, and EC\$200 to EC\$2,150 for a dependent child, depending on the child's age.

### **Administrative Organization**

Ministry of Finance (<http://www.finance.gov.lc/>) provides general supervision.

National Insurance Corporation (<http://www.stlucianic.org/>), under the supervision of the National Insurance Board, administers the program and collects contributions.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1978 (social insurance), implemented in 1979.

**Current laws:** 1992 (hospital fees regulations), 2000 (national insurance corporation), and 2003 (national insurance).

**Type of program:** Social insurance system.

#### **Coverage**

Employed persons, self-employed persons, and apprentices.

Special system for civil servants employed prior to February 1, 2003.

#### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

## Qualifying Conditions

**Cash sickness and medical benefits:** Must have been employed on the day before the incapacity began and have at least six months of contributions, including at least two of the four months immediately before the incapacity began (at least 12 months immediately before the incapacity began for self-employed persons). The incapacity must not be the result of a work injury.

**Cash maternity benefit:** Must have at least seven months of contributions in the 10 months immediately before the expected month of childbirth (at least 12 months immediately before the incapacity began for self-employed persons).

**Maternity grant:** The insured woman or the spouse (or cohabiting partner who has continuously lived with her for at least five years) of an uninsured woman must have at least seven months of contributions in the 10 months immediately before the expected month of childbirth (at least 12 months immediately before the incapacity began for self-employed persons).

## Sickness and Maternity Benefits

**Sickness benefit:** 65% of the insured's average earnings in the best two of the last four months is paid after a three-day waiting period for up to 26 weeks.

**Maternity benefit:** 65% of the insured's average earnings in the best seven of the last 10 months is paid for up to three months, beginning the month before the expected month of childbirth.

**Maternity grant:** A lump sum of EC\$600 is paid.

## Workers' Medical Benefits

The National Insurance Corporation provides hospitalization and medical treatment at approved hospitals for insured persons who meet the requirements for a cash sickness benefit.

The Ministry of Health, Wellness, Human Services and Gender Affairs provides hospitalization and medical treatment for pensioners with annual income of less than EC\$6,000.

## Dependents' Medical Benefits

No statutory benefits are provided.

## Administrative Organization

Minister of Finance (<http://www.finance.gov.lc/>) provides general supervision.

National Insurance Corporation (<http://www.stlucianic.org/>), under the supervision of the National Insurance Board, administers the program and collects contributions.

## Work Injury

### Regulatory Framework

**First laws:** 1964 (employer liability) and 1978 (social insurance), implemented in 1979.

**Current laws:** 2000 (national insurance corporation) and 2003 (national insurance).

**Type of program:** Social insurance system.

### Coverage

Employed persons and apprentices.

Exclusions: Self-employed persons.

Special system for civil servants employed prior to February 1, 2003.

### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** Not applicable.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

### Qualifying Conditions

There is no minimum qualifying period.

### Temporary Disability Benefits

65% of the insured's average covered earnings in the month the injury occurred or occupational disease began or the insured's average covered earnings in the best two of the last four months of contributions is paid for up to 12 months or until certification of permanent disability or full recovery (whichever is earlier).

### Permanent Disability Benefits

**Permanent disability pension:** For a total disability of at least 30% and with at least 60 months but less than 180 months of contributions, 35% of the insured's average covered earnings is paid; with at least 180 months of contributions, 40% of the insured's average covered earnings plus 0.1% of average covered earnings for each month of contributions exceeding 180 months is paid.

Average covered earnings are based on the insured's earnings in the best five years, up to a maximum of EC\$60,000.

The minimum permanent disability pension for a total disability of at least 30% is 65% of covered earnings in the month the injury occurred or occupational disease began or EC\$300, whichever is greater.

## Saint Lucia

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Partial disability: For an assessed degree of disability less than 30%, a lump sum of 60 months of the permanent disability pension is paid.

An appointed medical board assesses the disability every six months.

The permanent disability pension is payable abroad, subject to conditions.

### **Workers' Medical Benefits**

All medical expenses, including surgical, dental, and hospital treatment and medicine, are paid, up to EC\$20,000 per work injury or occupational disease.

### **Survivor Benefits**

#### **Survivor pension**

*Spouse's pension:* If there are no other survivors, 75% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er), including a common-law spouse, who has reached the early retirement age or has an incapacity for work; 50% if there are other dependent survivors.

*Orphan's pension:* 50% of the deceased's pension is paid to a dependent child younger than age 16 (age 18 if a full-time student); 50% of the old-age or disability pension each insured parent was entitled to receive for a full orphan.

*Other dependent's pension:* If there are no other survivors, 50% of the deceased's pension is paid to an aged, dependent parent or grandparent.

If the spouse, parent, or grandparent has reached the early retirement age, the benefit is paid for life. If the spouse is younger than the early retirement age, the benefit is paid for

a year or until the youngest child reaches age 16 (age 18 if a full-time student). If a survivor has a disability, the benefit is paid for the duration of the disability. The widow(er)'s pension ceases upon remarriage or cohabitation.

The maximum combined survivor pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Funeral grant:** The cost of the funeral is paid, up to EC\$2,500.

### **Administrative Organization**

Minister of Finance (<http://www.finance.gov.lc/>) provides general supervision.

National Insurance Corporation (<http://www.stlucianic.org/>), under the supervision of the National Insurance Board, administers the program and collects contributions.

### **Unemployment**

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#### **Regulatory Framework**

Labor law (2006) requires employers to provide severance pay in cases of redundancy to employees with at least two years of continuous employment. The benefit is one week of basic pay for each completed year of continuous employment up to three years; two weeks of basic pay for each completed year of continuous employment exceeding three years and up to seven years; and three weeks of basic pay for each completed year of continuous employment exceeding seven years.

## Saint Vincent and the Grenadines

Exchange rate: US\$1.00 =  
2.70 East Caribbean dollars (EC\$)

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1970 (provident fund).

**Current law:** 1986 (social insurance), implemented in 1987.

**Type of program:** Social insurance and social assistance system.

Note: The Family Services Division of the Ministry of National Mobilization, Social Development, Family, Gender Affairs, Persons with Disabilities, and Youth (<http://www.mobilization.gov.vc/mobilization/>) administers additional social assistance cash benefits for needy persons, including needy elderly persons, persons with disabilities, and orphans.

#### Coverage

**Social insurance:** Employed and self-employed persons. Voluntary coverage for citizens of Saint Vincent and the Grenadines who are no longer in covered employment or live abroad.

**Social assistance:** Needy residents of Saint Vincent and the Grenadines.

#### Source of Funds

##### Insured person

**Social insurance:** 4.5% of covered earnings; 4.29% of covered earnings for certain government workers; 8.84% of declared income for the voluntarily insured.

The minimum weekly earnings used to calculate contributions are EC\$15 (EC\$60 a month).

The maximum weekly earnings used to calculate contributions are EC\$1,000 (EC\$4,333 a month).

The insured person's contributions also finance sickness and maternity benefits.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 9.5% of reference income, according to eight income categories.

The minimum weekly reference income used to calculate contributions is EC\$120 (EC\$520 a month).

The maximum weekly reference income used to calculate contributions is EC\$1,000 (EC\$4,333 a month).

The self-employed person's contributions also finance sickness and maternity benefits.

**Social assistance:** None.

##### Employer

**Social insurance:** 5.5% of covered payroll.

The minimum weekly earnings used to calculate contributions are EC\$15 (EC\$60 a month).

The maximum weekly earnings used to calculate contributions are EC\$1,000 (EC\$4,333 a month).

The employer's contributions also finance sickness and maternity benefits.

**Social assistance:** None.

##### Government

**Social insurance:** 5.25% or 5.5% of payroll for government workers, depending on the category of work.

Government contributions also finance sickness and maternity benefits.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 61 (gradually rising by one year every three years until reaching age 65 by 2028) with at least 550 weeks (gradually rising to 750 weeks by 2028) of paid or credited contributions.

Early pension: Age 60 and meets the contribution requirement for a full old-age pension.

Partial pension: Must have reached the normal retirement age with at least 500 weeks of paid or credited contributions, but less than the required weeks of contributions for a full old-age pension. The reduced pension will be eliminated in 2028.

**Old-age grant (social insurance):** Age 61 (gradually rising by one year every three years until reaching age 65 by 2028) with at least 50 weeks of paid contributions but does not meet the contribution requirement for the full or partial old-age pension.

**Noncontributory assistance age pension (social assistance, income tested):** Must have been aged 57 or older on January 5, 1987, continuously employed before that date for a significant period (no specific period has been defined), and not be currently in paid employment. Must have been a resident for at least 25 years since age 20, including at least five of the last eight years, and on the date the claim is made.

Income test: Monthly income must be less than EC\$37.50; must not receive regular income from any other source or any pension from the National Insurance Scheme.



**Elderly assistance pension (social assistance, income tested):** Must have been aged 45 or older on January 5, 1987, continuously employed before that date for a significant period (no specific period has been defined) in informal or seasonal work, and not be currently in paid employment. Must have been a resident for at least 25 years since age 20, including at least four of the last five years immediately before the claim is made.

Income test: Monthly income must be less than EC\$37.50; must not receive regular income from any other source or any pension from the National Insurance Scheme.

**Disability pension (social insurance):** Must be younger than the normal retirement age, be assessed with a disability, and have at least 150 weeks of paid contributions.

**Disability grant (social insurance):** Must be younger than the normal retirement age, be assessed with a disability, and have at least 50 weeks but less than 150 weeks of paid contributions.

**Survivor pension (social insurance):** The deceased received or was entitled to receive an old-age or disability pension or grant at the time of death.

Eligible survivors include a widow(er) who was married to or lived with the deceased for at least three years, children younger than age 18 (age 21 if a student, no limit if disabled), and dependent parents aged 60 or older.

The widow(er)'s pension ceases upon remarriage or cohabitation.

**Survivor grant (social insurance):** The deceased did not meet the contribution requirements for an old-age or disability pension but had at least 50 weeks of paid contributions.

Eligible survivors include a widow(er) who was married to or lived with the deceased for at least three years, dependent children younger than age 18 (age 21 if a full-time student, no limit if disabled), and dependent parents aged 60 or older.

**Funeral grant (social insurance):** The insured had at least 26 weeks of paid contributions. Paid when the insured, the insured's spouse, or the insured's dependent children younger than age 18 (age 21 if a full-time student, no limit if disabled) dies.

**Funeral grant (social assistance):** Paid when a noncontributory old-age pensioner, the pensioner's spouse, or the pensioner's dependent children younger than age 18 (age 21 if a full-time student, no limit if disabled) dies.

### **Old-Age Benefits**

**Old-age pension (social insurance):** The pension is 30% of the insured's average annual earnings with at least 550 weeks (gradually rising to 750 weeks by 2028) of contributions plus 1% of average annual earnings for

each 50-week period of contributions exceeding 550 weeks (gradually rising to 750 weeks from by 2028).

Average annual earnings are based on the insured's covered earnings in the best five years of the entire working career before the year in which the insured reached the normal retirement age. The annual amount is then divided by 52 to determine the weekly pension.

The minimum weekly pension is EC\$70.

The maximum pension is 60% of the insured's average annual earnings.

**Early pension:** The pension is reduced by 6% for each year the pension is claimed before the normal retirement age.

**Partial pension:** The pension is reduced in proportion to the number of weeks of missing contributions.

**Benefit adjustment:** Benefits are adjusted according to inflation every three years, subject to an actuarial review.

**Old-age grant (social insurance):** A lump sum of six times the insured's average weekly earnings is paid for each 50-week period of contributions.

Average weekly earnings are based on the last 50 weeks of covered earnings prior to reaching age 60.

**Noncontributory assistance age pension (social assistance, income tested):** EC\$75 is paid every two weeks.

**Elderly assistance pension (social assistance, income tested):** EC\$75 is paid every two weeks.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** 30% of the insured's average annual earnings is paid with at least 150 weeks of contributions plus 1% of average annual earnings for each 50-week period of contributions exceeding 550 weeks (gradually rising to 750 weeks by 2028).

Average annual earnings are based on the insured's covered earnings in the best five years of the entire working career. The annual amount is then divided by 52 to determine the weekly pension.

The minimum weekly pension is EC\$70.

The maximum pension is 60% of the insured's average annual earnings.

**Benefit adjustment:** Benefits are adjusted according to inflation every three years, subject to an actuarial review.

**Disability grant (social insurance):** A lump sum of six times the insured's average weekly earnings is paid for each 50-week period of contributions.

Average weekly earnings are based on the last 50 weeks of covered earnings before the disability began.



## Survivor Benefits

### Survivor pension (social insurance)

*Spouse's pension:* 75% of the old-age or disability pension the deceased received or was entitled to receive at the time of death is paid to the widow(er).

The minimum weekly spouse's pension is EC\$52.50.

There is no maximum spouse's pension.

A pension is paid for a year to a widow(er) younger than age 55 with no dependent children or to a disabled widow(er) younger than age 55.

The widow(er)'s pension ceases upon remarriage or cohabitation.

*Orphan's pension:* 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each eligible child; 50% to a full orphan.

The minimum weekly orphan's pension is EC\$17.50 (EC\$35.00 for full orphans).

There is no maximum orphan's pension.

*Dependent parent's pension:* If there are no other survivors, up to 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to each eligible parent.

The minimum weekly dependent parent's pension is EC\$35.00.

There is no maximum dependent parent's pension.

The maximum combined survivor benefit is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Survivor grant (social insurance):** A lump sum of 75% of the old-age or disability grant the deceased received or was entitled to receive is paid to a widow(er); 25% to an orphan (50% to a full orphan); if there are no other eligible survivors, 50% is paid to each dependent parent.

The maximum combined survivor grant is 100% of the old-age or disability grant the deceased received or was entitled to receive.

**Funeral grant (social insurance):** A lump sum of EC\$4,525 is paid to the person who pays for all or part of the insured's funeral; EC\$2,262.50 is paid for the funeral of the insured's spouse; and up to EC\$2,262.50 is paid for the funeral of the insured's child, depending on the child's age.

**Funeral grant (social assistance):** A lump sum of EC\$2,262.50 is paid to the person who pays for all or part of the a noncontributory old-age pensioner's funeral; EC\$1,131.25 is paid for the funeral of the insured's spouse; and up to EC\$1,131.25 is paid for the funeral of the insured's child, depending on the child's age.

**Benefit adjustment:** Benefits may be adjusted according to inflation every three years, subject to recommendations from an actuarial review.

## Administrative Organization

National Insurance Board (<http://nissvg.org/>) administers the programs.

## Sickness and Maternity

### Regulatory Framework

**First and current laws:** 1986 (social insurance), implemented in 1987, and 1995 (hospital fees).

**Type of program:** Universal (medical benefits) and social insurance (cash benefits) system.

### Coverage

**Universal (medical benefits):** Residents of Saint Vincent and the Grenadines.

**Social insurance (cash benefits):** Employed and self-employed persons.

Special systems for certain categories of civil servants.

### Source of Funds

#### Insured person

*Universal (medical benefits):* None.

*Social insurance (cash benefits):* See source of funds under Old Age, Disability, and Survivors.

#### Self-employed person

*Universal (medical benefits):* None.

*Social insurance (cash benefits):* See source of funds under Old Age, Disability, and Survivors.

#### Employer

*Universal (medical benefits):* None.

*Social insurance (cash benefits):* See source of funds under Old Age, Disability, and Survivors.

#### Government

*Universal (medical benefits):* The total cost.

*Social insurance (cash benefits):* See source of funds under Old Age, Disability, and Survivors.

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have at least 26 weeks of paid contributions, including at least eight weeks of paid or credited contributions in the 13 weeks immediately before the incapacity began, and be currently employed.

**Cash maternity benefit (social insurance):** Must have at least 30 weeks of paid or credited contributions, including at least 20 weeks in the 30 weeks immediately preceding the week that is six weeks before the expected date of

childbirth or the week in which the claim is made, whichever is later.

**Maternity grant (social insurance):** The insured woman, the insured husband, or partner of an uninsured woman must have at least 20 weeks of paid contributions in the 30 weeks immediately before the week of childbirth.

### **Sickness and Maternity Benefits**

**Sickness benefit (social insurance):** 65% of the insured's average weekly covered earnings in the 13 weeks before the incapacity began is paid for up to 26 weeks after a three-day waiting period. No benefits are paid if the insured person is receiving a full salary from his or her employer.

There is no minimum or maximum sickness benefit.

**Maternity benefit (social insurance):** 65% of the insured's average weekly covered earnings in the last 30 weeks of employment is paid for 13 weeks, from up to six weeks before the expected date of childbirth.

There is no minimum or maximum maternity benefit.

**Maternity grant (social insurance):** A lump sum of EC\$660 is paid.

### **Workers' Medical Benefits**

Public hospitals, clinics, and health care facilities provide health care services. Benefits include maternity care, reproductive and pediatric services, dental care, chronic disease screening, HIV/AIDS prevention and treatment, mental health services, surgery, hospitalization, X-rays and imaging, orthopedic services, nephrology, ophthalmology, physical therapy, and medicine.

Cost sharing: Primary care is provided free of charge. Fees may be required for certain secondary and tertiary health care services.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for workers.

### **Administrative Organization**

National Insurance Board (<http://nissvg.org/>) administers the cash benefits program.

Ministry of Health (<http://www.health.gov.vc/>) is responsible for policy and delivers medical benefits.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1939.

**Current law:** 1997 (work injury).

**Type of program:** Social insurance system.

### **Coverage**

Employed persons.

Exclusions: Self-employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 0.5% of payroll.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

Must be currently employed and assessed with a work injury or occupational disease.

### **Temporary Disability Benefits**

70% of average weekly earnings is paid after a three-day waiting period for up to 26 weeks.

Average weekly earnings are based on the insured's weekly covered earnings in the last 13 weeks or the total number of weeks of employment before the disability began, whichever is lower.

### **Permanent Disability Benefits**

**Permanent disability pension:** If the assessed degree of disability is greater than 30%, 70% of the insured's average weekly earnings multiplied by the assessed degree of disability is paid. The insured must have exhausted entitlement to the temporary disability benefit.

The minimum weekly permanent disability pension is EC\$70.00.

Average weekly earnings are based on the insured's weekly covered earnings in the 13 weeks before the disability began.

Constant-attendance allowance: 50% of the insured's disability pension is paid for up to 260 weeks if the insured requires the constant attendance of others to perform daily functions.

**Permanent disability settlement:** If the assessed degree of disability is from 1% to 30%, a lump sum of 365 times the insured's average weekly earnings multiplied by the assessed degree of disability is paid. The insured must have exhausted entitlement to a temporary disability benefit.

Average weekly earnings are based on the insured's weekly covered earnings in the 13 weeks before the disability began.

### **Workers' Medical Benefits**

Benefits include medical, surgical, and dental treatment; hospitalization; skilled nursing services; medicine; prosthetics; and transportation costs.

## Survivor Benefits

### Survivor pension

*Spouse's pension:* 50% of the permanent disability pension the deceased received or was entitled to receive at the time of death is paid to a widow(er) who was married to or lived with the deceased for at least three years.

A pension is paid for one year to a widow(er) younger than age 55 with no dependent children.

The widow(er)'s pension ceases upon remarriage or cohabitation and a lump sum of 52 times the weekly pension is paid.

*Orphan's pension:* 16.6% of the permanent disability pension the deceased received or was entitled to receive is paid to each dependent child younger than age 18 (age 21 if a full-time student, no limit if disabled); 33.33% to a full orphan.

*Dependent parent's pension:* If there are no other survivors, up to 50% of the permanent disability pension the deceased received or was entitled to receive is paid to each eligible parent.

**Funeral grant:** A lump sum of EC\$4,525 is paid to the person who pays for all or part of the insured's funeral. A reduced grant is paid for the funeral of a spouse or child.

### Administrative Organization

National Insurance Board (<http://nissvg.org/>) administers the program.

## Unemployment

### Regulatory Framework

The Protection of Employment Act (2003) requires employers to provide severance pay to employees with at least two years of continuous employment with the same employer in cases of redundancy, illness that lasts for at least six months and is likely to be permanent, unfair dismissal, and constructive dismissal (or discharge). Employees who are dismissed for disciplinary action may be entitled to severance pay if they have at least five years of service. The benefit amount is two weeks of pay for each year of continuous service from two to 10 years; three weeks for each additional year from 11 to 25 years; and four weeks for each year exceeding 25 years. (A year is defined as any period of service of at least six months; periods of service of less than six months are disregarded.)

Employees who have a right to a pension or gratuity payment upon termination are not entitled to severance pay but may request a top up payment if the pension or gratuity is less than the severance pay the employee would have been entitled to receive.

## Suriname

Exchange rate: US\$1.00 =  
7.56 Surinamese dollars.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1972 (civil servants pension), 1981 (flat-rate old-age pension), 2005 (pension fund administration), and 2014 (earnings-related old-age pension).

**Type of program:** Universal and social insurance system.

#### Coverage

**Universal:** Residents of Suriname, including some foreign nationals.

**Social insurance:** Employed and self-employed persons. Special system for civil servants.

#### Source of Funds

##### Insured person

*Universal:* None.

*Social insurance:* 2% (gradually rising by 0.25% a year until reaching 14% by 2065) of monthly salary for persons younger than age 60.

The minimum monthly earnings used to calculate contributions are SR\$300.

The maximum monthly earnings used to calculate contributions are SR\$5,000.

##### Self-employed person

*Universal:* 4% of monthly taxable income for persons younger than age 60.

*Social insurance:* 4% (gradually rising by 0.5% a year until reaching 28% by 2065) of monthly income for persons younger than age 60.

The minimum monthly earnings used to calculate contributions are SR\$300.

The maximum monthly earnings used to calculate contributions are SR\$5,000.

Self-employed persons pay quarterly.

##### Employer

*Universal:* 4% of monthly salary for workers younger than age 60.

*Social insurance:* 2% (gradually rising by 0.25% a year until reaching 14% by 2065) of monthly salary for persons younger than age 60.

The minimum monthly earnings used to calculate contributions are SR\$300.

The maximum monthly earnings used to calculate contributions are SR\$5,000.

#### Government

*Universal:* Any deficit.

*Social insurance:* None.

#### Qualifying Conditions

**Flat-rate old-age pension (universal):** Age 60. Foreign nationals must have at least 10 years of contributions or 10 consecutive years of residence.

**Earnings-related old-age pension (social insurance):** Age 60 with at least 5 years of contributions.

**Earnings-related disability pension (social insurance):** Must have at least 5 years of contributions and be assessed with a permanent disability.

The degree of disability is assessed by a designated medical committee.

The earnings-related disability pension ceases at the normal retirement age and is replaced by an earnings-related old-age pension of the same value.

**Earnings-related survivor pension (social insurance):** The deceased must have 5 years of contributions.

Eligible survivors include a widow(er) who was married to or lived with the deceased for at least five years, a divorced spouse, and unmarried children, including adopted children, younger than age 18.

#### Old-Age Benefits

**Flat-rate old-age pension (universal):** SR\$525 a month is paid quarterly.

**Earnings-related old-age pension (social insurance):** 2% of the insured's average monthly earnings in the last 60 months multiplied by the number of years of contributions is paid.

The minimum monthly earnings-related old-age pension is SR\$300.

The maximum monthly earnings-related old-age pension is SR\$5,000.

Benefit adjustment: Benefits are adjusted at least every three years according to changes in the national average wage.

#### Permanent Disability Benefits

**Earnings-related disability pension (social insurance):** 2% of the insured's average monthly earnings in the last 60 months multiplied by the number of years of paid or credited contributions is paid. The insured is credited with

contributions for each year after the disability began until the normal retirement age.

The minimum monthly disability pension is SR\$300.

The maximum monthly disability pension is SR\$5,000.

Benefit adjustment: Benefits are adjusted at least every three years according to changes in the national average wage.

## Survivor Benefits

### Earnings-related survivor pension (social insurance)

*Spouse's pension:* 70% of the earnings-related old-age or disability pension the deceased received or was entitled to receive is paid to the widow(er) for life (for up to 10 years if the insured dies before retirement).

The minimum monthly spouse's pension is SR\$300.

*Orphan's pension:* 70% of the earnings-related old-age or disability pension the deceased received or was entitled to receive is paid for each eligible orphan.

The minimum monthly spouse's pension is SR\$300.

Benefit adjustment: Benefits are adjusted at least every three years according to changes in the national average wage.

## Administrative Organization

Ministry of Social Affairs and Housing (<http://www.gov.sr/ministerie-van-sociale-zaken-en-volkshuisvesting.aspx>) provides general supervision.

General Pension Fund (Algemeen Pensioenfonds) collects contributions and administers the earnings-related pensions.

Flat-rate Old-age Pension Fund (Algemene Oudedagsvoorziening (AOV)-Fonds; <http://www.gov.sr/themas/welzijn-en-gezin/aov.aspx>) administers the flat-rate old-age pension.

Ministry of Finance (<http://www.gov.sr/ministerie-van-financiën.aspx>) collects contributions for the flat-rate old-age pension.

## Sickness and Maternity

### Regulatory Framework

**First and current laws:** 1859 (sick leave), 1963 (labor code), 1980 (civil servants health insurance), and 2014 (national health insurance).

**Type of program:** Mandatory health insurance through private carriers (medical benefits only) and employer-liability (cash sickness benefits only) system.

### Coverage

**Cash sickness benefit:** Employed persons.

Exclusions: Self-employed persons.

**Cash maternity benefit:** No statutory benefits are provided.

**Medical benefits:** Residents of Suriname, including foreign nationals.

## Source of Funds

### Insured person

*Cash sickness benefit:* None.

*Medical benefits:* 50% (100% for covered family members) of up to SR\$75 if aged 17 to 20 and up to SR\$165 if aged 21 to 59. The government pays the total cost of premiums for children aged 16 or younger and for persons aged 60 or older. Part or all of the cost may be waived for low-income individuals.

### Self-employed person

*Cash sickness benefit:* Not applicable.

*Medical benefits:* Up to SR\$55 a month if aged 16 or younger, SR\$75 if aged 17 to 20, SR\$165 if aged 21 to 59. The government pays the total cost of premiums for children aged 16 or younger and for persons aged 60 or older. Part or all of the cost may be waived for low-income individuals.

### Employer

*Cash sickness benefit:* The total cost.

*Medical benefits:* 50% of up to SR\$75 for employees aged 17 to 20 and up to SR\$165 for employees aged 21 to 59. The government pays the total cost of premiums for children up to age 16 and for persons aged 60 or older.

### Government

*Cash sickness benefit:* None.

*Medical benefits:* Pays up to SR\$55 a month for residents aged 16 or younger; SR\$240 for residents aged 60 or older. Subsidizes the cost of certain needy individuals.

## Qualifying Conditions

**Cash sickness benefit (employer liability):** Must have at least four months of service with the same employer.

## Sickness and Maternity Benefits

**Sickness benefit (employer liability):** A benefit is paid.

## Workers' Medical Benefits

Medical benefits include general, specialist, and preventive care; maternity care; diagnostic services; surgery; hospitalization; and medicine, up to a maximum.

## Dependents' Medical Benefits

No benefits are provided.



### **Administrative Organization**

State Health Fund provides general supervision for medical benefits.

Authorized private insurance companies administer and provide health care insurance.

### **Work Injury**

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#### **Regulatory Framework**

**First and current law:** 1947 (work injury).

**Type of program:** Employer-liability system.

#### **Coverage**

Employed persons.

Exclusions: Self-employed persons, household workers, and family labor.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost (pays insurance premiums).

**Government:** None; contributes as an employer.

#### **Qualifying Conditions**

Must be assessed with a work injury.

#### **Temporary Disability Benefits**

For a total disability, 80% of the insured's daily wage is paid.

Partial disability: 6% to 100% of the daily benefit for a total disability is paid according to the assessed loss of earnings capacity and the type of disability.

#### **Permanent Disability Benefits**

For a total disability, 80% of the insured's daily wage is paid.

Partial disability: 6% to 100% of the daily benefit for a total disability is paid according to the assessed loss of earnings capacity and the type of disability.

#### **Workers' Medical Benefits**

Medical benefits include the cost of necessary diagnosis, medical treatment, hospitalization, and appliances.

#### **Survivor Benefits**

##### **Survivor pension**

**Spouse's pension:** 25% of the deceased's daily wage is paid. The spouse's pension ceases upon remarriage.

**Remarriage settlement:** A lump sum of two years of the spouse's pension is paid upon remarriage.

**Orphan's pension:** 7.5% of the deceased's daily wage is paid for each dependent orphan younger than age 16.

**Dependent parent's pension:** Up to 25% of the deceased's daily wage is paid to a dependent parent.

The maximum combined survivor pension is 50% of the deceased's daily wage.

**Funeral grant:** A lump sum of up to 30 times the deceased's daily wage is paid.

The minimum funeral grant is SR\$250.

The maximum funeral grant is SR\$400.

### **Administrative Organization**

Ministry of Labor, Employment and Social Security (<http://www.gov.sr/ministerie-van-arbeid.aspx>) provides general supervision.

Employers may insure against liability with national banks or approved private insurance companies.

### **Unemployment**

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#### **Regulatory Framework**

The 1859 civil code requires employers to provide a notice period or severance pay equal to four weeks of the employee's wages for four or fewer years of service; one week of wages for each year of service for five to nine years of service; four months of wages for 10 to 15 years of service; or six months of wages for more than 15 years of service.

### **Family Allowances**

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#### **Regulatory Framework**

**First and current law:** 1973 (child benefits).

**Type of program:** Universal system.

#### **Coverage**

Resident citizens of Suriname.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

#### **Qualifying Conditions**

**Child benefit (AKB):** Paid to families with unemployed, unmarried children younger than age 18.

***Family Allowance Benefits***

**Child benefit (AKB):** SR\$50 a month is paid once a year for each eligible child, up to four children.

***Administrative Organization***

Department of Social Security Payment Administration (AUSV), under supervision of Ministry of Social Affairs and Housing (<http://www.gov.sr/ministerie-van-sociale-zaken-en-volkshuisvesting.aspx>), collects contributions and administers the program.

## Trinidad and Tobago

Exchange rate: US\$1.00 =  
6.71 Trinidad and Tobago dollars (TT\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1934 (public-sector mandatory occupational pension), 1939 (old-age social pension), 1951 (social assistance), and 1971 (social insurance).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed persons, including agricultural and household workers, paid apprentices, and public-sector employees.

Voluntary coverage (old-age pension, survivor pension, and funeral grant) for persons who previously had mandatory coverage.

Exclusions: Self-employed persons and certain employees of international organizations.

Special complementary system for public-sector employees (public sector mandatory occupational pension).

**Social assistance:** Needy residents of Trinidad and Tobago.

#### Source of Funds

##### Insured person

**Social insurance:** 1/3 of 13.2% of the insured's weekly or monthly reference earnings, according to 16 wage classes; 13.2% of covered earnings for the voluntarily insured.

The minimum monthly earnings used to calculate contributions are TT\$867.

The maximum monthly earnings used to calculate contributions are TT\$13,600.

The insured person's contributions also finance sickness and maternity benefits, and work injury benefits.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** Not applicable.

**Social assistance:** None.

##### Employer

**Social insurance:** 2/3 of 13.2% of weekly or monthly covered payroll, according to 16 wage classes.

The minimum monthly earnings used to calculate contributions are TT\$867.

The maximum monthly earnings used to calculate contributions are TT\$13,600.

The employer's contributions also finance sickness and maternity benefits, and work injury benefits.

**Social assistance:** None.

#### Government

**Social insurance:** None; contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 60 with at least 750 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, disability, or work injury benefits.

Employment must cease if the benefit is claimed before age 65.

**Old-age settlement (social insurance):** Age 60 with less than 750 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, disability, or work injury benefits.

Employment must cease if the benefit is claimed before age 65.

Social insurance old-age benefits are payable abroad under reciprocal agreements.

**Old-age social pension (social assistance, means tested):** Age 65 with at least 15 years of residence in the 20 years immediately before the claim is made or a total of 50 years of residence in Trinidad and Tobago and monthly income up to TT\$4,500.

The social assistance old-age pension is not payable abroad.

**Disability pension (social insurance):** Must be aged 60 or younger, be assessed with an incapacity for work, and have at least 150 weeks of contributions, including 50 weeks in the three years immediately before the disability began; 250 weeks in the seven years immediately before the disability began; or a total of 750 weeks of contributions before the disability began.

The disability pension ceases at the normal retirement age and is replaced by the social insurance old-age pension.

The social insurance disability pension is payable abroad under reciprocal agreements.

**Disability pension (social assistance, means tested):** Must be aged 18 or older, be a resident of Trinidad and Tobago for at least three years before the claim is made,

have a medically certified permanent disability, and have monthly income up to TT\$1,000.

The social assistance disability pension is not payable abroad.

**Survivor pension (social insurance):** The deceased had at least 50 weeks of contributions or received a social insurance old-age or disability pension at the time of death.

Eligible survivors include a widow(er), common-law spouse who has cohabited with the deceased for at least three years before the date of the insured's death, unmarried children aged 16 or younger (age 19 if a full-time student; no limit if disabled), and dependent parents.

The widow(er)'s pension ceases upon remarriage; the child's benefit continues.

Remarriage settlement: Paid to a widow(er) upon remarriage.

The survivor pension is payable abroad under reciprocal agreements.

**Funeral grant (social insurance):** The insured died as a result of an occupational injury or had at least 25 weeks of contributions.

**Funeral grant (social assistance, income tested):** Paid to help pay for the cost of a burial for needy individuals and families with little or no means of support.

### Old-Age Benefits

**Old-age pension (social insurance):** 30% to 48% of the insured's average weekly reference earnings plus 0.56% to 0.71% of average weekly reference earnings for each 25-week period of contributions exceeding 750 weeks is paid, according to 16 wage classes.

Average weekly reference earnings are based on the insured's career earnings, according to 16 wage classes.

The minimum monthly old-age pension is TT\$3,000.

**Old-age settlement (social insurance):** A lump sum of three times the total employee and employer contributions is paid.

The minimum old-age settlement is TT\$3,000.

**Old-age social pension (social assistance, means tested):** TT\$500 to TT\$3,500 a month is paid, depending on income.

### Permanent Disability Benefits

**Disability pension (social insurance):** 30% to 48% of the insured's average weekly reference earnings plus 0.56% to 0.71% of average weekly reference earnings for each 25-week period of contributions exceeding 750 weeks is paid, according to 16 wage classes.

Average weekly reference earnings are based on the insured's career earnings, according to 16 wage classes.

There is no minimum disability pension.

**Disability pension (social assistance, means tested):** TT\$1,800 a month is paid.

### Survivor Benefits

#### Survivor pension (social insurance)

*Spouse's pension:* 60% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er).

The minimum monthly spouse's pension is TT\$600.

Remarriage settlement: A lump sum of 52 weeks of the spouse's pension is paid.

*Orphan's pension:* 30% of the old-age or disability pension the deceased received or was entitled to receive is paid to each eligible child; 60% for a full orphan.

The minimum monthly orphan's pension is TT\$600; TT\$1200 for a full orphan.

*Dependent parent's pension:* 30% of the deceased's pension is paid to one dependent parent or is split equally between two dependent parents.

The minimum monthly dependent parent's pension is TT\$300 for one parent; TT\$600 for two parents.

The maximum combined survivor pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Funeral grant (social insurance):** A lump sum of TT\$7,500 is paid to the person who paid for the funeral.

**Funeral grant (social assistance, income tested):** A lump sum of TT\$7,000 is paid to the person who paid for the funeral.

### Administrative Organization

Ministry of Finance (<http://www.finance.gov.tt/>) provides general supervision of the social insurance program.

National Insurance Board of Trinidad and Tobago (NIBTT) (<http://www.nibtt.net/>), a tripartite body comprising government, labor, and employer representatives, administers the social insurance program.

Ministry of the Social Development and Family Services, Social Welfare Division (<http://www.social.gov.tt/>), administers the social assistance program.

### Sickness and Maternity

#### Regulatory Framework

**First and current laws:** 1951 (social assistance), 1971 (social insurance), and 1998 (maternity).

**Type of program:** Social insurance, employer-liability, and social assistance system.

## Coverage

Employed persons, including agricultural and household workers, apprentices, and public-sector employees.

Exclusions: Self-employed persons and certain employees of international organizations.

## Source of Funds

### Insured person

**Social insurance:** See source of funds under Old Age, Disability, and Survivors.

**Employer liability:** None.

**Social assistance:** None.

### Self-employed person

**Social insurance:** Not applicable.

**Employer liability:** Not applicable.

**Social assistance:** None.

### Employer

**Social insurance:** See source of funds under Old Age, Disability, and Survivors.

**Employer liability:** The total cost.

**Social assistance:** None.

### Government

**Social insurance:** See source of funds under Old Age, Disability, and Survivors.

**Employer liability:** None; contributes as an employer.

**Social assistance:** The total cost.

## Qualifying Conditions

**Cash sickness benefit (social insurance):** Aged 16 to 65 with at least 10 weeks of contributions in the 13 weeks before the incapacity began.

**Cash maternity benefit (social insurance):** Aged 16 or older with at least 10 weeks of contributions in the 13 weeks before the last six weeks prior to the expected date of childbirth; or receiving sickness benefits in the 13 weeks before the last six weeks prior to the expected date of childbirth. The pregnancy must last at least 26 weeks or result in a live birth.

**Maternity grant (social insurance):** The insured woman or the spouse of an uninsured woman must have enough contributions to qualify for the maternity benefit. The woman must be aged 16 or older and the pregnancy must last at least 26 weeks or result in a live birth.

**Cash maternity benefit (employer liability):** Must have been employed by the same employer for at least 12 months before the expected date of childbirth, request leave in writing at least eight weeks before the expected date of

childbirth, confirm her intention to return to work after maternity leave, and provide a medical certificate stating the expected date of confinement.

## Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 60% of the insured's average weekly earnings is paid after a three-day waiting period for up to 52 weeks.

Average weekly earnings are based on the insured's earnings in the 10 best weeks of contributions in the 13 weeks before the incapacity began.

**Maternity benefit (social insurance):** 60% of the insured's average weekly earnings is paid for up to 14 weeks.

Average weekly earnings are based on the insured's earnings in the 10 best weeks of contributions in the 14 weeks before the last six weeks prior to the expected date of childbirth.

**Maternity grant (social insurance):** A lump sum of TT\$3,750 is paid (for each birth in case of multiple births).

**Maternity benefit (employer liability):** 100% of the employee's monthly earnings are paid for one month, and 50% for two months. If the sum of the monthly benefit and the social insurance maternity benefit is less than 100% of the employee's monthly earnings during the period of maternity leave, the employer pays the difference.

## Workers' Medical Benefits

**Medical benefits (social assistance, means tested):** Certain medical benefits are provided for free to persons receiving care in public hospitals and health centers. Needy individuals may be eligible for grants for medical equipment, prosthetics, and pharmaceuticals (see Family Benefits).

Social insurance medical benefits are provided for work-related medical conditions only (see Work Injury).

## Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

## Administrative Organization

Ministry of Finance (<http://www.finance.gov.tt/>) provides general supervision of the social insurance program.

National Insurance Board of Trinidad and Tobago (<http://www.nibtt.net/>), a tripartite body comprising government, labor, and employer representatives, administers the social insurance program.

Ministry of the Social Development and Family Services, Social Welfare Division (<http://www.social.gov.tt/>), provides general supervision of the social assistance program.



## Work Injury

### Regulatory Framework

**First and current laws:** 1960 (workmen's compensation) and 1971 (social insurance).

**Type of program:** Social insurance and employer-liability system.

Note: Employers are required to either provide lump-sum work injury benefits directly to employees or pay insurance premiums for their employees. Survivor benefits are paid to dependents who were totally dependent on the insured.

### Coverage

Employed persons, including agricultural and household workers, paid and unpaid apprentices, and public-sector employees.

Exclusions: Self-employed persons, and certain employees of international organizations.

### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** Not applicable.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** None; contributes as an employer.

### Qualifying Conditions

There is no minimum qualifying period. Incapacity for work must be the result of a work injury or occupational disease.

### Temporary Disability Benefits

66.6% of the insured's average weekly earnings is paid for up to 52 weeks. There is no waiting period. The disability must last at least three days.

Average weekly earnings are based on the insured's career earnings, according to 16 wage classes.

Benefits are not payable abroad.

### Permanent Disability Benefits

**Permanent disability pension:** If the insured has at least a 20% assessed degree of disability, a percentage of the temporary disability benefit is paid according to the assessed degree of disability.

The benefit is paid after the temporary disability benefit ceases.

The insured's doctor assesses the degree of disability.

There is no minimum permanent disability pension.

**Disability grant:** If the insured has less than a 20% assessed degree of disability, a lump sum of the assessed degree of disability multiplied by the period of disability (up to 365 weeks) multiplied by half the insured's average weekly earnings is paid. If the assessed disability is 3% or less, an amount corresponding to a 3% degree of disability is paid.

The benefit is paid after the temporary disability benefit ceases.

Average weekly earnings are based on the insured's career earnings, according to 16 wage classes.

Disability benefits are not payable abroad.

### Workers' Medical Benefits

Benefits include medical expenses, including doctor and specialist fees, hospital expenses, medicine, operations, physiotherapy, appliances, and transportation costs.

Medical costs are reimbursed, up to TT\$28,125 for each injury.

### Survivor Benefits

#### Survivor pension

**Spouse's pension:** 60% of the work injury benefit the deceased received or was entitled to receive in the week before death is paid to a widow(er) or to a common-law spouse who has cohabited with the deceased for at least three years before the date of the insured's death.

The minimum monthly spouse's pension is TT\$600.

**Remarriage settlement:** The pension ceases upon remarriage and a lump sum of 52 weeks of the spouse's pension is paid.

**Orphan's pension:** 30% of the work injury benefit the deceased received or was entitled to receive in the week before death is paid to each unmarried child aged 19 or younger (no limit if disabled before age 19 and incapable of work).

The minimum monthly orphan's pension is TT\$600; TT\$1,200 for a full orphan if both parents died as a result of a work injury or occupational disease.

**Dependent parent's pension:** 30% of the work injury benefit the deceased received or was entitled to receive in the week before death is paid to a dependent parent.

The minimum dependent parent's pension is TT\$300 a month for each parent; TT\$600 if only one living parent.

Survivor benefits are payable abroad under reciprocal agreements with other Caribbean countries and Canada.

**Funeral grant:** A lump sum of TT\$7,500 is paid.

### Administrative Organization

Ministry of Finance (<http://www.finance.gov.tt/>) provides general supervision of the social insurance program.

## Trinidad and Tobago

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National Insurance Board of Trinidad and Tobago (<http://www.nibtt.net/>), a tripartite body comprising government, labor, and employer representatives, collects contributions and administers the social insurance program.

Judiciary of the Republic of Trinidad and Tobago (<http://www.ttlawcourts.org/>) adjudicates work injury claims under the employer liability system.

### Unemployment

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#### Regulatory Framework

The 1985 retrenchment and severance act requires employers to provide severance pay to employees who are laid off. For employees paid weekly, two weeks of the employee's basic earnings is paid for each of the first four years of employment plus three weeks of basic earnings for each additional year of employment. For employees paid monthly, 50% of the employee's monthly earnings is paid for each of the first four years of employment plus 75% of monthly earnings for each additional year of employment.

#### Family Allowances

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##### Regulatory Framework

**First and current law:** 1951 (social assistance).

**Type of program:** Social assistance system.

##### Coverage

Needy citizens and legal residents of Trinidad and Tobago.

##### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

##### Qualifying Conditions

**Public assistance (means tested):** Paid to low-income families where the adult is unable to earn an income due to ill health or disability; for children if the father (or both parents) is deceased, hospitalized, incarcerated, disabled, or whose whereabouts is unknown; and to a low-income single parent or guardian caring for a severely disabled child.

**General assistance grants (means tested):** Paid to needy individuals and families who are receiving public assistance, vulnerable persons in crisis and emergency situations, or victims of a natural or man-made disaster in dire need of temporary assistance.

**Funeral grant:** See social assistance funeral grant under Old Age, Disability and Survivors.

**Clothing grant:** Paid to needy individuals or victims of a disaster to help purchase clothing, including school uniforms and shoes for children. The grant is paid for up to four persons in each household.

**Dietary grant:** Paid to help purchase prescribed foodstuffs for persons diagnosed with certain conditions, such as diabetes or heart disease.

**Education grant:** Paid to families who are receiving public assistance to help meet the cost of secondary school fees, school transportation, and other essentials. The grant is paid for up to four children in each household, based on family circumstances.

**School supplies grant:** Paid to assist children whose books or uniforms were destroyed in a natural or man-made disaster.

**Rental assistance:** Paid for three months to needy individuals or victims of a disaster temporarily unable to pay housing rental payments. The benefit may be extended upon review.

**Medical equipment grant:** Paid to help purchase necessary medical aids, such as wheelchairs, eyeglasses, and hearing aids. The purchase of any particular item may only be approved once in each two-year period.

**Prosthetics grant:** Paid to help purchase necessary medical aids, such as wheelchairs, eyeglasses, and hearing aids.

**Pharmaceutical grant:** Paid to help purchase prosthesis deemed necessary and useful by the Ministry of Health.

**Household item grant:** Paid to needy individuals or victims of a disaster to help purchase household items such as stoves, refrigerators, and furniture items. The purchase of any particular item may only be approved once in each three-year period.

**Home help grant:** Paid to help finance short-term at-home care.

**Special child grant:** Paid for one year to parents of children up to age 18 with a mental or physical disability who are not receiving public assistance. The benefit may be extended upon review.

**Free bus pass:** Provided to social assistance beneficiaries and pensioners older than age 65.

#### Family Allowance Benefits

**Public assistance (means tested):** TT\$1,150 a month is paid for households with one person; TT\$1,400 a month with two persons; TT\$1,600 a month with three persons; and TT\$1,750 a month with four or more persons.

##### General assistance grants (means tested)

**Funeral grant:** See social assistance funeral grant under Old Age, Disability and Survivors.

*Clothing grant:* A lump sum of up to TT\$1,000 per person is paid for up to four persons in each household. The grant may only be claimed once in a two-year period.

*Dietary grant:* Up to TT\$600 a month is paid.

*Education grant:* Up to TT\$200 a month is paid for each eligible child for up to four children in each household.

*School supplies grant:* A lump sum of up to TT\$700 is paid for primary school students; TT\$1,000 for secondary school students.

*Rental assistance:* Up to TT\$2,500 is paid directly to the beneficiary's landlord over a three-month period; up to TT\$7,500 is paid over a year.

*Medical equipment grant:* A lump sum of up to TT\$7,500 is paid.

*Prosthetics grant:* A lump sum of up to TT\$40,000 is paid.

*Pharmaceutical grant:* A lump sum of up to TT\$2,500 is paid once a year.

*Household item grant:* A lump sum of up to TT\$6,000 (TT\$10,000 for victims of a disaster) is paid.

*Home help grant:* TT\$1,800 a month is paid to the caregiver for up to six months.

*Special child grant:* TT\$1,100 a month is paid for one year (reviewable) to parents for up to four children in each household.

**Free bus pass:** Free travel on public transportation is provided.

### **Administrative Organization**

Ministry of the Social Development and Family Services, Social Welfare Division (<http://www.social.gov.tt/>), administers the social assistance program.

## United States of America

Exchange rate: Currency is the US dollar (\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1935 (social security) and 1972 (social assistance), implemented in 1974.

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Gainfully employed persons, including self-employed persons with at least \$400 in annual net income and household employees with at least \$2,000 (adjusted according to past increases in average wages) in annual gross income.

Voluntary coverage for employees of state and local governments hired before July 1, 1991, and the clergy.

Special systems for railroad employees, federal employees hired before January 1, 1984, and many employees of state and local governments.

**Social assistance:** Needy citizens or nationals of the United States who reside in one of the 50 states, the District of Columbia, or the Northern Mariana Islands, and are not absent from the country for a full calendar month or for 30 consecutive days or more.

#### Source of Funds

##### Insured person

**Social insurance:** 6.2% of covered earnings.

The maximum annual earnings used to calculate contributions are \$127,200. The maximum earnings used to calculate contributions are automatically adjusted to past increases in average wages.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 12.4% of covered earnings.

The maximum annual earnings used to calculate contributions are \$127,200. The maximum earnings used to calculate contributions are automatically adjusted to past increases in average wages.

**Social assistance:** None.

##### Employer

**Social insurance:** 6.2% of covered payroll.

The maximum annual earnings used to calculate contributions are \$127,200. The maximum earnings used to calculate contributions are automatically adjusted to past increases in average wages.

**Social assistance:** None.

#### Government

**Social insurance:** A portion of the revenue from earmarked taxes on social security benefits (paid for by higher income social security beneficiaries) is allocated to the Trust Fund; contributes as an employer for government employees not covered by a special system.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 66 (gradually rising to age 67 in 2027) with at least 40 quarters of coverage.

Quarters of coverage are based on the insured's annual earnings. The minimum amount of earnings to receive one quarter of coverage is \$1,300. This amount is adjusted annually according to past increases in average wages.

Early pension: Age 62 with at least 40 quarters of coverage.

Earnings test: From age 62 up to the normal retirement age, employment may continue and a reduced benefit is paid. From the normal retirement age, there is no penalty for continuing to work. This test also applies to dependents.

Deferred pension: The pension may be deferred up to age 70.

Spouse's benefit: Paid to a spouse (same sex or opposite sex) aged 62 or older who has been married to the insured for at least one year before he or she applied for benefits; any age if caring for a child younger than age 16 (no limit if the child receives disability benefits). Generally, a divorced spouse must have been married to the insured for at least 10 years and be currently unmarried. A spouse or divorced spouse is ineligible if he or she receives or is entitled to receive a greater social security benefit based on his or her own earnings record.

Child's benefit: Paid for unmarried children younger than age 18 (age 19 if a full-time elementary or secondary school student, no limit if disabled before age 22). Benefits for stepchildren end upon divorce.

Pensions may be payable abroad to citizens, and to non-citizens under reciprocal agreement. However, noncitizen dependents who were first eligible after 1984 must meet a residency requirement unless an exception applies.

**Old-age supplemental income benefit (social assistance, means tested):** Age 65 with low income and limited resources. The means test is based on earned and unearned income, including benefits.

**Disability pension (social insurance):** Must be assessed as incapable of substantial gainful activity as the result of a physical or mental impairment that is expected to last at least a year or result in death. The insured must meet the recent work and duration of work requirements.

A person is assessed as incapable of substantial gainful activity with monthly earnings up to \$1,170 (sighted persons) or \$1,950 (blind persons).

Recent work requirement: If the disability began before age 24, the insured must have at least six quarters of coverage in the three years before the disability began; from age 24 to 30, the insured must have at least two quarters of coverage for each year from age 21 to the quarter the disability began; at age 31 or older, the insured must have at least 20 quarters of coverage in the 10 years before the disability began.

Quarters of coverage are based on the insured's annual earnings. The minimum amount of earnings to receive one quarter of coverage is \$1,300. This amount is adjusted annually according to past increases in average wages.

Duration of work requirement: Must have at least six quarters of coverage if the disability began before age 28, up to at least 38 quarters of coverage if the disability began at age 60.

The qualifying conditions for young and blind persons are less strict.

Earnings test: From age 62 up to the normal retirement age, employment may continue and a reduced benefit is paid. From the normal retirement age, there is no penalty for continuing to work. This test also applies to dependents.

Spouse's benefit: Paid to a spouse (same sex or opposite sex) aged 62 or older who has been married to the insured for at least one year before he or she applied for benefits; any age if caring for a child younger than age 16 (no limit if the child receives disability benefits). Generally, a divorced spouse must have been married to the insured for at least 10 years and be currently unmarried. A spouse or divorced spouse is ineligible if he or she receives or is entitled to receive a greater social security benefit based on his or her earnings record.

Child's benefit: Paid for unmarried children younger than age 18 (age 19 if a full-time elementary or secondary school student, no limit if disabled before age 22).

Pensions may be payable abroad to citizens, and to non-citizens under reciprocal agreement. However, noncitizen dependents who were first eligible after 1984 must meet a residency requirement unless an exception applies.

The disability pension ceases at the normal retirement age and is replaced by an old-age pension.

**Disability supplemental income benefit (social assistance, means tested):** Must be younger than age 65, blind or assessed with a disability, and have low income and limited resources. The means test is based on earned and

unearned income, including benefits. Certain impairment-related work expenses are deductible from income.

**Survivor pension (social insurance):** The deceased received or was entitled to receive an old-age or disability pension at the time of death. If younger than age 42 at the time of death, the deceased must have had at least six quarters of coverage and the total quarters of coverage must have been at least equal to the deceased's age minus 21.

Eligible survivors include a widow(er) (same sex or opposite sex) aged 60 or older and married to the insured for at least nine months before the death (at least 10 years and did not remarry before age 60 for a divorced widow(er)); a widow(er) at any age if caring for a child younger than age 16 or disabled and receiving social security benefits; a widow(er) with a disability or surviving divorced spouse aged 50 or older with a disability that started before or within seven years of the deceased's death; an unmarried child younger than age 18 (age 19 if a full-time elementary or secondary student, no limit if disabled before age 22); and a dependent parent aged 62 or older, not remarried since the insured's death, and at least 50% dependent on the deceased at the time of death.

Earnings test: Up to the normal retirement age, survivors may continue working and receive a reduced benefit. From the normal retirement age, there is no penalty for working.

Pensions may be payable abroad to citizens, and to non-citizens under reciprocal agreement. However, noncitizen dependents who were first eligible after 1984 must meet a residency requirement unless an exception applies.

**Death benefit (social insurance):** Paid to the surviving widow(er) (same sex or opposite sex) living with the insured when he or she died. If they were living apart, paid if the surviving widow(er) was receiving benefits on the insured's record or became eligible in the month of the insured's death. If there is no eligible widow(er), the surviving children are eligible if they were receiving benefits on the insured's record or became eligible in the month of the insured's death.

### Old-Age Benefits

**Old-age pension (social insurance):** The pension is based on the average of the insured's 35 highest years of lifetime earnings. The earnings are adjusted according to increases in average wages prior to age 60.

Early pension: The pension is reduced for each month the pension is claimed before the normal retirement age.

Earnings' test: Benefits are reduced by \$1 for every \$2 of earnings for annual earnings above \$16,920 until the year the insured reaches the normal retirement age. Benefits are reduced by \$1 for every \$3 of earnings above \$44,880 in the year the insured reaches the normal retirement age. Beginning the month the insured reaches the normal retirement age, there is no earnings test.



The maximum monthly pension for persons retiring in 2017 at the normal retirement age is \$2,687. (A decrease in full maximum benefits occurs when there is no cost-of-living adjustment, but there is an increase in the national average wage index.)

Deferred pension: The pension is increased by 8% for each year of deferral up to age 70.

Spouse's benefit: 50% of the old-age pension is paid to a spouse or divorced spouse who has reached the normal retirement age or is caring for an eligible child. A reduced benefit is paid if the benefit is claimed before the normal retirement age.

Child's benefit: Up to 50% of the old-age pension is paid for each eligible child.

The maximum combined old-age benefits for a family are 100% to 180% of the insured's old-age pension. A divorced spouse's benefit is not counted against the maximum.

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

**Old-age supplemental income benefit (social assistance, means tested):** Up to \$735 a month is paid for an individual; \$1,103 a month for a couple.

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** The pension is based on the insured's average covered earnings (adjusted according to increases in average wages) from age 21 up to the quarter the disability began, excluding up to five years of the lowest earnings.

There is no minimum pension for insured persons whose disability began after 1981.

Spouse's benefit: 50% of the disability pension is paid to a spouse or divorced spouse who has reached the normal retirement age or caring for an eligible child. A reduced benefit is paid if the benefit is claimed before the normal retirement age.

Child's benefit: Up to 50% of the disability pension is paid for each eligible child.

The maximum combined disability benefits for a family are 100% to 150% of the insured's disability pension. A divorced spouse's benefit is not counted against the maximum.

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

**Disability supplemental income benefit (social assistance, means tested):** Up to \$735 a month is paid for an individual; \$1,103 a month for a couple.

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

### **Survivor Benefits**

#### **Survivor pension (social insurance)**

*Spouse's pension:* 100% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) or divorced widow(er) who has reached the normal retirement age; 75% to a widow(er) or divorced widow(er) at any age caring for an eligible child; 71.5% to 99% to a widow(er) or divorced widow(er) aged 60 to the normal retirement age; 71.5% to a disabled widow(er) aged 50 to 59.

Earnings' test: Benefits are reduced by \$1 for every \$2 of earnings for annual earnings above \$16,920 until the year the insured reaches the normal retirement age. Benefits are reduced by \$1 for every \$3 of earnings above \$44,880 in the year the insured reaches the normal retirement age.

The pension ceases if the widow(er) remarries before age 60.

*Orphan's pension:* 75% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible child.

*Dependent parent's pension:* 82.5% of the old-age or disability pension the deceased received or was entitled to receive is paid to one eligible parent; 75% to each parent if there are two eligible parents.

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

The maximum combined survivor pension is 100% to 180% of the old-age pension (or 100% to 150% of the disability pension) the deceased received or was entitled to receive. A surviving divorced spouse's benefit is not counted against the maximum.

**Death benefit (social insurance):** A lump sum of \$255 is paid.

### **Administrative Organization**

Social Security Administration (<https://www.ssa.gov/>), an independent agency within the executive branch of government, administers the programs through regional program centers, district offices, and branch offices.

Treasury Department (<https://www.treasury.gov/>) supervises the collection of Social Security taxes through the Internal Revenue Service and supervises the payment of benefits and the management of funds.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First and current laws:** 1965 (health insurance for older persons); 1965 (health insurance for low-income persons); 1972 (health insurance for the disabled); 1997 (health insurance for children); 2003 (prescriptions drugs), implemented

in 2006; and 2010 (Affordable Care Act), implemented in stages.

**Type of program:** Social insurance, mandatory private insurance, and social assistance system. Medical benefits only.

Note: There are no national statutory programs for cash sickness and maternity benefits. Workers in industry and commerce in five states (Rhode Island, California, New Jersey, New York, and Hawaii) and Puerto Rico, and agricultural workers in three states (California, Hawaii, and New Jersey) and Puerto Rico are covered for cash sickness benefits. (There is a special federal system for railroad employees.) Private-sector workers in California, New York (starting January 1, 2018), and Rhode Island (and in some cities) and public-and private-sector workers in New Jersey are covered for family leave insurance.

Under the Family and Medical Leave Act of 1993, eligible employees of covered employers may take unpaid, job-protected leave, including continuation of group health insurance coverage, for specified family and medical reasons. Covered employers include all public state, local, and federal agencies, including local education agencies, and most private-sector employers with 50 or more employees.

Medicare (social insurance) consists of: Part A (hospitalization); Part B (medical services); Part D (prescription drug insurance plans); and Part C (Medicare Advantage plans) which may be substituted for Parts A, B, and D because it provides hospitalization, medical services, and prescription drug coverage.

## Coverage

**Cash sickness and maternity benefits:** No statutory benefits are provided.

**Medical benefits:** Citizens and legal residents of the United States.

Special systems for some employees of state and local governments.

## Source of Funds

### Insured person

**Medicare Part A (social insurance):** 1.45% of earnings plus 0.9% of annual earnings above \$200,000 (single person) or \$250,000 (married couple). Those enrolled in Medicare Part A pay monthly premiums based on quarters of coverage: no premium with 40 quarters of coverage; \$227 for 30 to 39 quarters; \$413 with less than 30 quarters.

There are no maximum earnings used to calculate contributions for Medicare Part A.

The insured person's contributions for Medicare Part A also finance the hospitalization benefits provided under Medicare Part C.

**Medicare Part B (social insurance):** Medicare Part B beneficiaries pay \$134 a month for annual income up to \$85,000 (single person) or \$170,000 (married couple). Premiums for annual income over \$85,000 (single person) or \$170,000 (married couple) range from \$187.50 to \$428.60 a month, according to income level. (There is a late enrollment penalty of 10% of the premium for each full 12-month period that an individual was eligible but did not enroll.) Low-income persons may be eligible for premium or cost-sharing subsidies.

**Medicare Part C (social insurance):** See source of funds for Medicare Part A for hospitalization benefits. Medicare Part C beneficiaries pay a monthly premium that varies according to the plan. (The average monthly premium in 2017 is \$31.40.)

**Medicare Part D (social insurance):** Medicare Part D beneficiaries pay a monthly premium that varies according to the plan. Persons with income above \$85,000 a year (single person) or \$170,000 a year (married couple) pay an additional amount directly to the government that ranges from \$13.30 to \$76.20 a month, according to income level. (There is a late enrollment penalty based on the number of full uncovered months of coverage.) Low-income persons may be eligible for premium or cost-sharing subsidies.

**Affordable Care Act (mandatory health insurance):** Premiums vary according to the plan. (There is an annual penalty for not having coverage.)

**Medicaid and Children's Health Insurance Program (CHIP) (social assistance):** None.

### Self-employed person

**Medicare Part A (social insurance):** 2.9% of declared earnings plus 0.9% of annual earnings above \$200,000 (single person) or \$250,000 (married couple). Those enrolled in Medicare Part A pay premiums based on the quarters of coverage: no premium with 40 quarters of coverage; \$227 for 30 to 39 quarters of coverage; \$413 with less than 30 quarters of coverage.

There are no maximum earnings used to calculate contributions for Medicare Part A.

The self-employed person's contributions for Medicare Part A also finance the hospitalization benefits provided under Medicare Part C.

**Medicare Part B (social insurance):** Medicare Part B beneficiaries pay \$134 a month for annual income up to \$85,000 (single person) or \$170,000 (married couple). Premiums for annual income over \$85,000 (single person) or \$170,000 (married couple) range from \$187.50 to 428.60 a month, according to income level. (There is a late enrollment penalty of 10% of the premium for each full 12-month period that an individual was eligible but did not enroll.) Low-income persons may be eligible for premium or cost-sharing subsidies.

**Medicare Part C (social insurance):** See source of funds for Medicare Part A for hospitalization benefits. Medicare Part C beneficiaries pay a monthly premium that varies according to the plan. (The average monthly premium in 2017 is \$31.40.)

**Medicare Part D (social insurance):** Medicare Part D beneficiaries pay a monthly premium that varies according to the plan. Persons with income above \$85,000 a year (single person) or \$170,000 a year (married couple) pay an additional amount directly to the government that ranges from \$13.30 to \$76.20 a month, according to income level. (There is a late enrollment penalty based on the number of full uncovered months of coverage.) Low-income persons may be eligible for premium or cost-sharing subsidies.

**Affordable Care Act (mandatory health insurance):** Premiums vary according to the plan. (There is an annual penalty for not having coverage.)

**Medicaid and CHIP (social assistance):** None.

### Employer

**Medicare Part A (social insurance):** 1.45% of payroll.

There are no maximum earnings used to calculate contributions for Medicare Part A.

The employer's contributions for Medicare Part A also finance the hospitalization benefits provided under Medicare Part C.

**Medicare Part B (social insurance):** None.

**Medicare Part C (social insurance):** See source of funds for Medicare Part A.

**Medicare Part D (social insurance):** None.

**Affordable Care Act (mandatory health insurance):** None.

**Medicaid and CHIP (social assistance):** None.

### Government

**Medicare Part A (social insurance):** The total cost for certain noninsured elderly persons; contributes as an employer for government employees not covered by a special system.

**Medicare Part B (social insurance):** A portion of the revenue from earmarked taxes on social security benefits; and subsidies.

**Medicare Part C (social insurance):** Annual payments to participating companies.

**Medicare Part D (social insurance):** Subsidies from general revenues, as needed. State governments pay a portion of the cost for certain workers also covered under certain state assistance programs.

**Affordable Care Act (mandatory health insurance):** Provides tax credits to small businesses and to persons with income from 100% to 400% of the federal poverty level; subsidizes

insurance plans for persons with income from 100% to 250% of the federal poverty level.

The federal poverty level is based on annual gross family income and ranges from \$12,060 for one person to \$41,320 for a family of eight. (For families/households with more than eight persons, the level rises by \$4,180 a year for each additional person.)

**Medicaid and CHIP (social assistance):** Jointly funded by individual states and the federal government.

### Qualifying Conditions

**Cash sickness and maternity benefits:** No statutory benefits are provided.

### Medical benefits

**Medicare Parts A and B (social insurance):** Age 65; younger than age 65 with a disability and receiving a disability pension for at least two years (no waiting period for persons with end-stage renal disease or ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's Disease)).

**Medicare Part C (social insurance):** Same as for Parts A and B. Persons with end-stage renal disease who are new to Medicare usually are excluded.

**Medicare Part D (social insurance):** Must be entitled to Medicare Parts A, B, or C.

**Affordable Care Act (mandatory health insurance):** Most citizens and legal residents of the United States must have qualifying health care coverage and access to certain free preventive services. Medicare and Medicaid are considered qualifying health care coverage.

**Medicaid (social assistance):** States set individual eligibility criteria within federal minimum standards. Many states have expanded coverage, particularly for children, above the federal minimums. For many eligibility groups, income is calculated in relation to a percentage of the federal poverty level, depending on the size of the family.

The federal poverty level is based on annual gross family income and ranges from \$12,060 for one person to \$41,320 for a family of eight. (For families/households with more than eight persons, the level rises by \$4,180 a year for each additional person.)

**CHIP (social assistance):** Uninsured children up to age 19 in families with incomes too high to qualify them for Medicaid. States set their own income eligibility standards, and eligibility varies across states.

### Sickness and Maternity Benefits

No statutory benefits are provided.

### Workers' Medical Benefits

**Medicare Part A (social insurance):** Inpatient care is provided for stays of up to 90 days (may be extended by up



to 60 days): the beneficiary has a deductible of \$1,316 and no copay for up to 60 days; \$329 a day for the 61st to the 90th day; and \$658 a day for more than 90 days for up to 60 lifetime reserve days. (The insured pays all costs once the 60 lifetime reserve days are exhausted.) Post-hospital skilled nursing facility care is provided for an additional 100 days (the patient pays \$164.50 a day for the 21st to the 100th day), laboratory and X-ray services for inpatients, and post-hospital home health services.

**Medicare Part B (social insurance):** Most preventive care services are free. 80% of medically necessary charges above \$183 a year is paid for physician's services, outpatient diagnostic and physical therapy, laboratory services, appliances, and transportation.

**Medicare Part C (social insurance):** Benefits are at least the same as for Parts A and B and usually include a prescription drug component. Copayments, deductibles, and annual out-of-pocket maximums vary according to the plan.

**Medicare Part D (social insurance):** The maximum allowable deductible is \$400 a year; some plans do not have a deductible. The plan and the insured share the cost of prescription drugs, up to a combined limit of \$3,700 a year. The insured pays a higher percentage of the combined total cost of prescription drugs from \$3,700 to \$4,950. (That percentage is gradually falling from 40% of the cost (brand-name prescription drugs) or 51% (generic) in 2017, to 25% (brand-name or generic) in 2020.) For the rest of the calendar year, insured persons who have reached the limit have a minimum copay that varies according to the type of drug.

**Affordable Care Act (mandatory health insurance):** Individuals without employer-provided health insurance can choose (through health insurance marketplaces run by the federal government or certain state governments) among plans that meet certain benefit and cost standards. Small businesses can purchase coverage through separate marketplaces. Certain provisions are still being implemented.

Benefits include a free basic package of preventive health services. Private insurance may not exclude pre-existing conditions or apply annual or lifetime limits on the dollar value of coverage. Companies may not rescind coverage except in cases of fraud.

**Medicaid and CHIP (social assistance):** States determine the type, amount, duration, and scope of services within broad federal guidelines. States have the option to charge premiums and to establish out of pocket spending (cost sharing) requirements for Medicaid.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

For Medicare, the insured's spouse, divorced spouse, or widow(er) may be eligible under certain conditions. For the

Affordable Care Act, eligible dependents include children up to age 26.

## **Administrative Organization**

### **Social insurance (Medicare)**

Department of Health and Human Services (<https://www.hhs.gov/>) provides general supervision.

Centers for Medicare and Medicaid Services (CMS) (<https://www.cms.gov/>) administer the program in cooperation with the Public Health Service, the Social Security Administration, and state health departments.

Treasury Department (<https://www.treasury.gov/>) supervises the collection of Medicare taxes through the Internal Revenue Service.

Private carriers and public agencies, under contract as intermediary administrative agents, determine and make payments to service providers or to patients.

Carriers either pay medical service providers directly or partially reimburse the insured.

CMS contracts with individual companies that provide prescription drugs directly to the insured.

### **Mandatory health insurance (Affordable Care Act)**

Department of Health and Human Services (<https://www.hhs.gov/>) provides general supervision.

Private health insurance companies provide health insurance.

### **Social assistance (Medicaid and CHIP)**

Department of Health and Human Services (<http://www.hhs.gov/>) through the Centers for Medicare and Medicaid Services (CMS) (<http://www.cms.gov>) provides general supervision.

Center for Medicaid and CHIP Services (<https://www.medicaid.gov/>) oversees the programs.

Individual states administer their own programs.

## **Work Injury**

### **Regulatory Framework**

**First laws:** 1908 (federal employees) and 1911 (nine state laws).

**Current laws:** Most laws were enacted before 1920.

**Type of program:** Employer-liability system.

### **Coverage**

Most public- and private-sector employees. (All states, Puerto Rico, District of Columbia, Guam, and U.S. Virgin Islands).

Exclusions: Household workers, agricultural employees, some small businesses, casual labor, and self-employed persons.

## United States of America

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Special system for coal miners who develop pneumoconiosis.

### Source of Funds

**Insured person:** Nominal contributions in a few states.

**Self-employed person:** Not applicable.

**Employer:** The total cost (most states) or most of the cost is financed through either insurance premiums varying with the assessed degree of risk or self-insurance. (The average cost in 2014 was 1.35% of payroll.)

**Government:** None; contributes as an employer.

### Qualifying Conditions

Must be assessed with a work injury or occupational disease.

### Temporary Disability Benefits

In most states, 66.6% of the employee's earnings is paid after a three- to seven-day waiting period. Benefits are paid retroactively if the disability lasts for a specified period, from five days to six weeks.

Dependent's supplement: Paid in about 20% of all states, in some instances as a lump sum.

The maximum weekly benefit varies by state.

Benefit adjustment: About 80% of all states increase benefits automatically according to increases in state wages.

### Permanent Disability Benefits

66.6% of the employee's earnings is paid for a total disability for the duration of the disability (in most states).

Partial disability: A reduced pension is paid according to the assessed loss of earning capacity, or at the full rate for fewer weeks for certain injuries.

Constant-attendance supplement: Paid in some states if the employee requires the constant attendance of others to perform daily functions. The supplement is paid for life or for the duration of the disability (80% of all states); or for 104 to 500 weeks (in some states).

Dependent's supplement: Paid for life or the duration of the disability (in 80% of all states); or for 104 to 500 weeks (in some states).

### Workers' Medical Benefits

All states provide medical care for as long as required.

### Survivor Benefits

**Survivor pension:** 35% to 70% of the deceased's earnings is paid to the widow(er); 60% to 80% with dependent children.

Other eligible survivors (in some states) include dependent parents, brothers, and sisters.

**Funeral grant:** A lump sum is paid. The amount varies by state.

### Administrative Organization

State workers' compensation agencies administer the employer liability program in about 50% of all states, state departments of labor administer the program in about 37.5% of all states, and courts administer the program in three states.

Employers must insure with the state fund in four states; with the state fund or a private carrier in 19 states; or with a private carrier in the remainder. In all but two states, certain employers may choose to self-insure.

### Unemployment

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#### Regulatory Framework

**First and current federal law:** 1935 (social security).

**First and current state laws:** All states, Puerto Rico, U.S. Virgin Islands, and District of Columbia have separate laws creating their own programs. State laws were first enacted between 1932 and 1937.

**Type of program:** Social insurance system.

#### Coverage

Public- and private-sector workers, military personnel, most agricultural employees, and household workers.

Exclusions: Some agricultural employees, employees of religious organizations, casual employees, family labor, and self-employed persons.

Special federal system for railroad employees.

#### Source of Funds

**Insured person:** None, except in Alaska, New Jersey, and Pennsylvania.

**Self-employed person:** Not applicable.

#### Employer

**Federal program:** 0.6% of annual payroll. (The full amount is 6.0% of annual payroll, but there is a 5.4% credit if states meet all federal requirements.)

The maximum annual earnings used to calculate contributions are \$7,000.

**State programs:** 5.4% of annual payroll (actual rates vary from zero to more than 10% according to an employer's experience of having workers claim unemployment benefits.)

The maximum annual earnings used to calculate contributions vary from \$7,000 to \$45,000 according to the state.

**Government:** Federal tax revenue finances federal and state administrative costs.



### **Qualifying Conditions**

Most states require minimum earnings in the base period equal to a specified multiple of the weekly benefit amount or high-quarter wages, or a specified total amount of wages in the base period. A few states require a specified number of weeks of employment (for example, from 18 to 20 weeks). One state requires a certain number of hours of work.

Must be registered with the employment service, capable of and available for work, and actively seeking work. Will generally be disqualified for voluntarily leaving a job without good cause, being discharged from employment for misconduct, or refusing an offer of suitable work. May be disqualified for participating in a labor dispute.

Dependent's supplement: A supplement is paid to dependents in about 25% of states.

### **Unemployment Benefits**

About 50% of the insured's earnings is paid after a one-week waiting period, for up to 26 weeks in most states.

Dependent's supplement: From \$1 to \$154 a week is paid for each eligible child and sometimes for other dependents.

Federal law provides for up to 20 additional weeks of benefits in states with high levels of unemployment.

Some states provide income assistance to unemployed workers who have insufficient periods of covered employment or have exhausted their unemployment benefits and are participating in training programs.

### **Administrative Organization**

Department of Labor (<https://oui.doleta.gov/unemploy/>) administers the program nationally through its Employment and Training Administration and Office of Unemployment Insurance.

Treasury Department (<https://www.treasury.gov/>) supervises the collection of federal Unemployment Insurance contributions through the Internal Revenue Service.

State workforce agencies administer individual state unemployment programs and pay benefits.

### **Family Allowances**

#### **Regulatory Framework**

Some 80 different means-tested programs administered and funded by federal, state, and local governments provide cash payments, social services, educational assistance, housing assistance, vocational training, medical assistance, energy and utility assistance, child care, and child development programs.

The Earned Income Tax Credit provides a refundable tax credit through the federal tax system to working individuals or families with low to moderate income. The refund varies according to income, marital status, and the number of children and ranges from up to \$510 a year with no children and annual income up to \$15,010 (single person) or \$20,600 (married couple), to up to \$6,318 a year with at least three children and annual income up to \$48,340 (single) or \$53,930 (married).

## Uruguay

Exchange rate: US\$1.00 = 28.34 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1829 to 1954 (various laws for specified groups of workers) and 1967 (national social security institutions).

**Current laws:** 1995 (social insurance and individual accounts), implemented in 1996; 2007 (noncontributory pensions), implemented in 2008; 2009 (flexibility of social security); 2012 (victims of domestic violence and violent crimes); 2013 (partial pension for private workers); and 2014 (severely disabled persons).

**Type of program:** Social insurance, mandatory individual account, and social assistance system.

#### Coverage

**Social insurance:** Employed and self-employed persons, including rural and household workers.

Special systems for bank employees, notaries, university graduates, and military and police force personnel.

**Mandatory individual account:** Employed and self-employed persons born after April 1, 1956, or who first entered the labor force after April 1, 1996, and have monthly earnings greater than 48,953 pesos.

Voluntary coverage for employed and self-employed persons born on or before April 1, 1956, or who have monthly earnings up to 48,953 pesos.

Special systems for bank employees, notaries, university graduates, and military and police force personnel.

**Social assistance:** Needy residents of Uruguay and victims of domestic violence or violent crimes.

#### Source of Funds

##### Insured person

**Social insurance:** 15% of gross monthly covered earnings.

The maximum monthly earnings used to calculate contributions are 48,953 pesos.

Insured persons with monthly earnings up to 48,953 pesos can choose to allocate 50% of their contributions to an individual account.

Insured persons with monthly earnings greater than 146,859 pesos may make voluntary contributions for the monthly earnings exceeding 146,859 pesos to the social insurance program or the individual account program.

The earnings used to calculate contributions are adjusted according to changes in the average wage index.

The insured person's contributions also finance cash sickness and parental benefits, unemployment benefits, and family allowances.

**Mandatory individual account:** 15% of gross monthly covered earnings.

The insured person's contributions to the individual account include an average of 2.4575% of covered earnings for disability and survivor insurance and an average of 0.97% of covered earnings for administrative fees (September 2017).

The minimum monthly earnings used to calculate contributions are 48,953 pesos.

The maximum monthly earnings used to calculate contributions are 146,859 pesos.

Insured persons with monthly earnings greater than 146,859 pesos may make voluntary contributions for the monthly earnings exceeding 146,859 pesos to the social insurance program or the individual account program.

The earnings used to calculate contributions are adjusted according to changes in the average wage index.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 15% of gross monthly covered earnings.

The maximum monthly earnings used to calculate contributions are 48,953 pesos.

Self-employed persons with monthly earnings up to 48,953 pesos can choose to allocate 50% of their contributions to an individual account.

Self-employed persons with monthly earnings greater than 146,859 pesos may make voluntary contributions for the monthly earnings exceeding 146,859 pesos to the social insurance program or the individual account program.

The self-employed person's contributions also finance cash sickness and parental benefits.

**Mandatory individual account:** 15% of gross monthly covered earnings.

The self-employed person's contributions to the individual account include an average of 2.4575% of covered earnings for disability and survivor insurance and an average of 0.97% of covered earnings for administrative fees (September 2017).

The minimum monthly earnings used to calculate contributions are 48,953 pesos.

The maximum monthly earnings used to calculate contributions are 146,859 pesos.

Self-employed persons with monthly earnings greater than 146,859 pesos may make voluntary contributions for the

monthly earnings exceeding 146,859 pesos to the social insurance program or the individual account program.

The earnings used to calculate contributions are adjusted according to changes in the average wage index.

*Social assistance:* None.

### Employer

*Social insurance:* 7.5% of monthly covered payroll; additional contributions for employees in hazardous occupations.

The maximum monthly earnings used to calculate contributions are 146,859 pesos.

The earnings used to calculate contributions are adjusted according to changes in the average wage index.

The employer's contributions also finance cash sickness and parental benefits, unemployment benefits, and family allowances.

*Mandatory individual account:* None.

*Social assistance:* None.

### Government

*Social insurance:* Any deficit; contributes as an employer.

*Mandatory individual account:* None.

*Social assistance:* The total cost.

### Qualifying Conditions

**Old-age pension (social insurance):** Age 60 with at least 30 years of contributions. Women are credited with one year of contributions for each child (biological or adopted), up to five years. Additional years of contributions are credited to workers in hazardous occupations.

Deferred pension: The pension may be deferred up to age 70, or until reaching 35 years of contributions, whichever occurs first.

The social insurance old-age pension is payable abroad under reciprocal agreement.

**Old-age pension (mandatory individual account):** Age 60 with at least 30 years of contributions; age 65 with no contribution requirement.

The individual account old-age pension is payable abroad under reciprocal agreement.

**Advanced old-age pension (social insurance and mandatory individual account):** Age 70 with at least 15 years of contributions. The age requirement is reduced for additional years of contributions, ranging from age 69 with at least 17 years of contributions to age 65 with at least 25 years of contributions.

Employment must cease.

The advanced old-age pension (social insurance or mandatory individual account) is payable abroad under reciprocal agreement.

**Partial old-age pension (social insurance):** Paid to persons who reduce their working hours or return to work on a part-time basis after reaching the normal retirement age and who are entitled to receive a social insurance old-age or advanced old-age pension.

Old-age supplement (Prima por Edad, social insurance): Paid to persons receiving a social insurance old-age or advanced old-age pension if the insured's income and household average per capita income are up to 13,834.49 pesos (14,243.51 pesos as of December 2017) a month.

**Special pension for persons who suffered political persecution (social insurance):** Age 60 with at least 10 years of service and exiled, incarcerated, or dismissed from a job for political or union-related reasons from February 9, 1973, to February 28, 1985.

**Noncontributory old-age pension (social assistance, means tested):** Age 70 and assessed as needy; or aged 65 to 69 and living in a household assessed as having a critical shortage for meeting basic needs. For the means test, the income of family members is taken into account.

**Special pension for persons who suffered political persecution (social assistance):** Paid to persons incarcerated for at least a year for political or union-related reasons from February 9, 1973, to February 28, 1985. There are no minimum age or service requirements. The pension cannot be combined with the social insurance special pension for persons who suffered political persecution.

**Disability pension (social insurance and mandatory individual account):** Must have at least a 66% assessed degree of disability, be incapable of any work, and have at least two years (if aged 25 or older) or six months (if younger than age 25) of covered employment before the disability began. There is no minimum qualifying period for a disability resulting from an accident.

Special allowance: Paid to low-income persons according to assessed need for transportation and other costs related to attending special education institutions.

Partial disability benefit: Must have a 50% to 66% assessed degree of disability, be incapable of work in the current job, and have at least two years (if aged 25 or older) or six months (if younger than age 25) of covered employment before the disability began. There is no minimum qualifying period for a disability resulting from an accident. The benefit is temporary and subject to reassessment of the incapacity for work.

District medical commissions of the Social Security Bank assess the degree of incapacity for work.

Disability pensions are payable abroad under reciprocal agreement.

**Noncontributory disability pension (social assistance, means tested):** Must have a total and permanent disability and have resided in Uruguay for at least 15 years. For the means test, the income of family members is taken into account.

**Disability pension for victims of violent crimes (social assistance):** Must be assessed with a total disability and a total incapacity for any work resulting from being a victim of a violent crime.

**Attendance allowance (social assistance):** Paid to persons younger than 29 or older than 80 who are assessed with a severe disability and require the attendance of others for at least 70 hours a month to perform daily functions.

**Survivor pension (social insurance and mandatory individual account):** The deceased was working; received or was entitled to receive an old-age or disability pension, or sickness, maternity, work injury, or unemployment benefit; or died in the 12 months after the unemployment benefit ceased. Coverage is extended for up to 12 months after employment ceases; no limit with at least 10 years of contributions.

A survivor pension may be paid in the case of the disappearance of a retired, employed, or unemployed person.

Eligible survivors include a widow(er) or partner (same sex or opposite sex), divorced spouse (same sex or opposite sex), unmarried orphans up to age 21 (age 18 with sufficient means; no limit if disabled), and dependent, disabled parents. A widow or female partner must have average monthly earnings of no more than 148,659 pesos in the 12 months before the insured's death. A widower or male partner must have monthly income of no more than 84,444.21 pesos: with an annual income up to 39,407.30 pesos, the pension is paid automatically; with an annual income greater than 39,407.30 pesos and less than 84,444.21 pesos, must prove economic dependence on the deceased.

Survivor pensions are payable abroad under reciprocal agreement.

**Pension for victims of violent crimes (social assistance):** Paid to a victim of a violent crime or his or her dependents.

Eligible persons include the spouse or cohabiting partners of persons who deceased as a victim of homicide; children younger than age 21 (no limit if single and with a total incapacity for any work); and persons with a total incapacity for any remunerated work as a consequence of a violent crime.

The pension for victims of violent crimes cannot be combined with any other social security benefit provided by a public or private institution.

**Special allowance for victims of domestic violence (social assistance):** The deceased died as a result of an act of domestic violence.

Eligible dependents include an unmarried dependent child younger than age 21 (age 18 with sufficient means of support; age 20 with a total incapacity for work and sufficient means of support; any age with a total incapacity for work and insufficient means of support) at the time of the deceased's death.

Must provide proof of enrollment and regular attendance in an institution of learning, and of regular medical examinations. If the dependent child has an incapacity for work, the incapacity is reviewed every three years.

The special allowance for victims of domestic violence is not payable abroad.

**Funeral grant (social insurance):** Paid to the person who pays for the insured's funeral.

### **Old-Age Benefits**

**Old-age pension (social insurance):** 45% of the insured's reference earnings plus 1% of reference earnings for each year of contributions from 31 to 35 years plus 0.5% of reference earnings for each year of contributions from 36 to 40 years is paid.

The reference earnings are the insured's average indexed monthly covered earnings in the 10 years before retirement or 105% of the insured's average indexed monthly covered earnings in the best 20 years of earnings, whichever is less.

Deferred pension: The pension is increased by 3% for each year of contributions after the normal retirement age with at least 35 years of contributions, up to 30%; 2% for each year of contributions after the normal retirement age if the insured has less than 35 years of contributions.

The minimum monthly old-age pension is 9,930 pesos (10,292.65 as of August 2017).

The maximum monthly old-age pension is 40,386 pesos (social insurance and individual account) or 59,723 pesos (social insurance only).

Benefit adjustment: Benefits are adjusted according to changes in the average wage index in the previous year.

**Old-age pension (mandatory individual account):** The insured must use the total account balance to purchase an annuity from an insurance company.

The annuity benefit is calculated based on the insured's account balance, his or her life expectancy at the time of first benefit receipt, and the interest rate offered by the insurance company.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index in the previous year.

**Advanced old-age pension (social insurance):** 50% of the insured's average indexed monthly covered earnings in the last 10 years plus 1% for each year of contributions exceeding the respective minimum years of contributions (from 15 to 25 years), up to 14%, is paid.



The minimum monthly advanced-age pension is 9,930 pesos.

The maximum monthly advanced-age pension is 40,386 pesos (social insurance and individual account) or 59,723 pesos (social insurance only).

Benefit adjustment: Benefits are adjusted according to changes in the average wage index in the previous year.

**Advanced old-age pension (mandatory individual account):** The insured must use the total account balance to purchase an annuity from an insurance company.

The annuity benefit is calculated based on the insured's account balance, his or her life expectancy at the time of first benefit receipt, and the interest rate offered by the insurance company.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index in the previous year.

**Partial old-age pension (social insurance):** 50% of the social insurance old-age or advanced old-age pension the insured received or is entitled to receive is paid.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index in the previous year.

Old-age supplement (Prima por Edad, social insurance): 2,256.41 pesos a month is paid.

**Special pension for persons who suffered political persecution (social insurance):** 18,055 pesos a month is paid.

**Noncontributory old-age pension (social assistance, means tested):** 9,444 pesos a month is paid.

**Special pension for persons who suffered political persecution (social assistance):** 30,694 pesos a month is paid.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index in the previous year.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** 65% of the insured's reference earnings is paid.

The reference earnings are the insured's average indexed monthly covered earnings in the 10 years before the disability began or 105% of the insured's average indexed monthly covered earnings in the best 20 years of earnings, whichever is less.

If the insured has fewer than 10 years of contributions, the total number of years worked is used to calculate the reference earnings.

Special allowance: 2,400.94 pesos a month is paid for transportation costs or 4,976.82 pesos a month for rehabilitation costs (January 2018).

Partial disability benefit: 65% of the insured's reference earnings is paid for up to three years.

The minimum monthly disability pension is 9,930 pesos.

The maximum monthly disability pension is 40,386 pesos.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index in the previous year.

**Disability pension (mandatory individual account):** 45% of the insured's average indexed monthly covered earnings in the 10 years before the disability began is paid. The individual account balance is transferred to an insurance company, which pays the pension.

Partial disability benefit: 45% of the insured's average indexed monthly covered earnings in the 10 years before the disability began is paid for up to three years.

**Noncontributory disability pension (social assistance, means tested):** 9,444.53 pesos a month is paid.

**Disability pension for victims of violent crimes (social assistance):** 23,088 pesos a month is paid (January 2018).

**Attendance allowance (social assistance):** Up to 16,610.60 pesos a month is paid (17,700 pesos a month as of January 2018).

Benefit adjustment: Benefits are adjusted according to changes in the average wage index in the previous year.

### **Survivor Benefits**

**Survivor pension (social insurance and mandatory individual account):** 66% to 75% of the old-age or disability pension the deceased received or was entitled to receive is paid, according to the number of survivors; 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to a divorced widow(er) or parent, if there are no other survivors.

100% of the old-age or disability pension the deceased received or was entitled to receive is split among the widow(er), divorced spouses, and partners (same sex or opposite sex) with at least five years of cohabitation with the insured if there are no other eligible survivors; 70% if there are eligible orphans; 60% if there are other eligible survivors but no eligible orphans. The remainder is split equally among other eligible survivors. If there is no widow(er) or a divorced spouse, 100% of the pension is split equally among other eligible survivors.

The widow(er)'s or divorced spouse's pension ceases upon remarriage.

For the survivors of a member of an individual account program, the accumulated capital in the individual account (contributions plus accrued interest) is transferred to an insurance company, which pays the pension. If there are no eligible survivors, the total account balance may be distributed to the next of kin.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index.

**Pension for victims of violent crimes (social assistance):** 23,088 pesos a month is paid.



**Special allowance for victims of domestic violence (social assistance):** 10,292.65 pesos a month is paid (January 2018).

**Funeral grant (social insurance):** The cost of the funeral, up to 22,736.11 pesos, is paid.

### Administrative Organization

Ministry of Labor and Social Security (<https://www.mtss.gub.uy/>) provides general supervision.

Social Insurance Bank (<http://www.bps.gub.uy/>) supervises and administers the social insurance program and collects contributions for the program.

Central Bank of Uruguay (<http://www.bcu.gub.uy/>) oversees pension fund management companies and insurance companies.

Pension savings fund administrators (Administradoras de Fondos de Ahorro Previsional, AFAP) manage the individual accounts.

### Sickness and Maternity

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#### Regulatory Framework

**First laws:** 1958 (maternity benefits) and 1960 (sickness benefits for construction workers).

**Current laws:** 1975 (sickness), 1980 (maternity), 1981 (maternity), 1995 (pensioners), 1999 (maternity), 2007 (national health fund), 2008 (national integrated health system), 2011 (incorporation schedule), and 2012 (benefit calculation).

**Type of program:** Social insurance and employer-liability system.

#### Coverage

**Cash sickness benefit (social insurance):** Private-sector employees.

Special system for public-sector employees.

**Cash parental benefits (social insurance):** Private-sector employees; self-employed rural workers and persons working in companies with up to one employee, and their collaborating spouses; persons working for small enterprises (monotributistas); and persons receiving an unemployment benefit.

**Medical benefits (social insurance):** Public- and private-sector employees, self-employed persons, persons receiving an unemployment benefit, employers with up to five employees, and pensioners. Must reside in Uruguay.

**Cash paternity benefit (employer liability):** Employed persons.

Special systems for military and police force personnel, and local government employees.

### Source of Funds

#### Insured person

**Social insurance (cash benefits):** See source of funds for Old Age, Disability, and Survivors.

**Social insurance (medical benefits):** 3% of gross earnings plus a contribution of 1.5% to 5% that varies according to the insured's income and family situation.

**Employer liability:** None.

#### Self-employed person

**Social insurance (cash benefits):** See source of funds for Old Age, Disability, and Survivors.

**Social insurance (medical benefits):** 2,377 pesos a month with no child or spouse; 3,252 pesos a month with a child and a spouse; 2,752 pesos a month with a child and no spouse; or 2,877 pesos a month with a spouse and no child (January 2018).

**Employer liability:** Not applicable.

#### Employer

**Social insurance (cash benefits):** See source of funds for Old Age, Disability, and Survivors.

**Social insurance (medical benefits):** 5% of payroll plus additional premiums.

**Employer liability:** The total cost.

#### Government

**Social insurance (cash benefits):** Any deficit; contributes as an employer.

**Social insurance (medical benefits):** Any deficit; the total cost of public health services for all residents of Uruguay.

**Employer liability:** None.

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have at least three months of contributions or 75 days of contributions in the last 12 months. There is no minimum contribution requirement for pregnant women.

**Cash maternity benefit (social insurance):** Paid for the birth of a child.

**Cash paternity benefit (social insurance and employer liability):** Paid for the birth of a child.

**Newborn care allowance (Subsidio para el Cuidado del Recién Nacido, social insurance):** Paid to a mother who received a cash maternity benefit, or her spouse if working part-time to care for a newborn child, until the child reaches six months of age.

**Special adoption leave (social insurance):** Paid to a private-sector salaried worker who adopts a child.

**Medical benefits (social insurance):** There is no minimum qualifying period.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 70% of the insured's earnings is paid after a three-day waiting period (no waiting period for hospitalization) for up to a year; may be extended for an additional year.

The maximum monthly sickness benefit is 34,852 pesos.

**Maternity benefit:** 100% of the insured's average monthly or daily earnings in the last six months (declared earnings in the last 12 months for self-employed persons) is paid on the expected date of childbirth for 14 weeks (98 days) including six weeks before and eight weeks after the expected date of childbirth.

**Paternity benefit (social insurance and employer liability):** 100% of the insured's daily or monthly earnings are paid for up to 13 days. The first three days are paid by the employer; up to 10 further days are paid by the Social Insurance Bank (BPS).

**Newborn care allowance (Subsidio para el Cuidado del Recién Nacido, social insurance):** 50% of the caregiver's daily earnings is paid for each half-day of maternity of paternity leave.

The benefit is paid monthly.

**Special adoption leave (social insurance):** 100% of the insured's average daily or monthly earnings in the six months before the leave began is paid for six weeks. Immediately after the leave ends, the insured is entitled to work half-time for up to six months, during which a subsidy of 50% of the special adoption leave is paid.

### **Workers' Medical Benefits**

Medical services are available through mutual health institutions. Medical services include medical assistance, surgery, and pharmaceutical products.

Mutual health institutions provide grants for eyeglasses, contact lenses, prostheses, orthopedic appliances, wheelchairs, and psychiatric hospitalization.

Maternity care is provided for insured women under Family Allowances.

The Ministry of Public Health provides free public health care to all residents through public hospitals and clinics.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

Eligible dependents include an uninsured spouse and children younger than age 18 (no limit if disabled).

The Ministry of Public Health provides free public health care to all residents through public hospitals and clinics.

### **Administrative Organization**

Ministry of Public Health (<http://www.msp.gub.uy/>) implements the Integrated National Health System.

Social Insurance Bank (<http://www.bps.gub.uy/>) collects contributions, supervises, and administers cash benefits for the social insurance program.

National Health Board (Junta Nacional de Salud–JUNASA; <http://www.msp.gub.uy/minisite/junta-nacional-de-salud/>) supervises and administers the medical benefits.

Collective medical assistance and mutual health institutions provide medical benefits.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1914.

**Current law:** 1989 (work injury).

**Type of program:** Employer-liability (through a public carrier) system.

#### **Coverage**

Private-sector employees, including agricultural workers; certain public-sector employees; and apprentices.

Exclusions: Self-employed persons, professional athletes, and actors.

Special system for military and police personnel.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost, which varies according to the assessed degree of risk.

**Government:** None; contributes as an employer.

#### **Qualifying Conditions**

There is no minimum qualifying period. Accidents that occur while commuting to and from work are not covered. Occupational diseases are covered, according to a schedule in law.

#### **Temporary Disability Benefits**

66.67% of the insured's daily earnings before the disability began is paid. (For casual workers, the benefit is equal to the insured's total adjusted daily earnings in the last six months divided by 150.) The daily benefit is paid retroactively after a four-day waiting period for the duration of the disability.

The minimum monthly benefit is 3,052 pesos.

## Uruguay

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For an occupational disease, 100% of the insured's earnings before the disease was diagnosed is paid. There is no waiting period.

An additional benefit of 3.607% of the insured's earnings is paid under the sickness benefit (see Sickness and Maternity).

Benefit adjustment: Benefits are adjusted according to the average wage index.

### Permanent Disability Benefits

**Permanent disability pension:** For an assessed degree of disability of at least 20%, 100% of the insured's monthly loss of earnings is paid.

Constant-attendance supplement: 115% of the insured's earnings before the disability began is paid if the insured requires the constant attendance of others to perform daily functions.

For an assessed degree of disability of 10% to 19%, a lump sum of 36 times the insured's monthly loss of earnings is paid; for an assessed degree of disability of less than 10%, a benefit is paid only if the assessed disability is the result of repeated accidents.

### Workers' Medical Benefits

The National Insurance Bank provides medical services. Benefits include medical, surgical, and dental care; hospitalization; medicine; and appliances.

There is no limit to duration.

### Survivor Benefits

#### Survivor pension

**Spouse's pension:** 50% of the deceased's annual earnings is paid to a widow(er) or partner (same sex or opposite sex) with dependents; 66% in the absence of dependents. The widow(er) must have been married to the deceased for at least one year at the time of death; a partner must have cohabited with the deceased for at least one year.

**Orphan's pension:** If there are no other eligible survivors, 50% of the deceased's annual earnings is paid; 20% for one orphan; 35% for two; 45% for three; and 55% for four or more.

**Dependent parent's pension:** If there is no eligible widow(er) or partner, 20% of the deceased's annual earnings is paid to dependent parents.

The maximum combined annual survivor pension is 100% of the deceased's annual earnings.

Benefit adjustment: Benefits are adjusted according to the average wage index.

### Administrative Organization

Social Insurance Bank (<http://www.bps.gub.uy/>) supervises, administers, and collects contributions to the program.

National Insurance Bank (<https://www.bse.com.uy/inicio/>) provides medical services.

### Unemployment

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#### Regulatory Framework

**First law:** 1934.

**Current laws:** 1981 (industry and commerce), 2001 (rural workers), 2006 (household workers), 2008 (late career unemployment), and 2012 (benefits calculation).

**Type of program:** Social insurance system.

#### Coverage

Private-sector employees in industry and commerce, rural workers, government employees with a fixed-term contract of at least two years, professional athletes, members of cooperatives, and household workers.

Exclusions: Self-employed persons.

Special system for bank employees.

#### Source of Funds

**Insured person:** See source of funds under Old-age, Disability, and Survivors.

**Self-employed person:** Not applicable.

**Employer:** See source of funds under Old-Age, Disability, and Survivors.

**Government:** Any deficit.

#### Qualifying Conditions

**Unemployment benefit:** Employees paid monthly must have at least 180 days of coverage in the 12 months before unemployment began; at least 180 days of coverage and at least 150 days of work in the 12 months before unemployment began for workers paid at irregular intervals; or at least 180 days of coverage with earnings of at least six BPCs in the 12 months before unemployment began for workers with irregular income or piece workers.

The BPC (Base de Prestaciones y Contribuciones), an index that is adjusted annually to calculate taxation, income and social benefits, is 3,611 pesos (3,848 pesos as of January 2018).

Rural workers paid monthly must have at least 360 days months of coverage in the 24 months before unemployment began; rural workers paid at irregular intervals must have 360 days of coverage with 250 days of work in the 24 months before unemployment began; and rural workers with irregular income must have 180 days of coverage

and earnings of at least 12 BPCs in the 24 months before unemployment began.

Household workers must be registered with at least six months (180 days) of work in the 12 months before unemployment began (if paid monthly); with at least 12 months in the 24 months before unemployment began and 150 days worked or, failing that, at least 360 days of coverage and 250 days worked in the 12 months before unemployment began (if paid daily or hourly); or six months (180 days) of coverage with earnings of at least six BPC in the 12 months before unemployment or, failing that, 360 days of coverage and earnings of at least 12 BPC in the 24 months before unemployment began (irregular income and pieceworkers).

Unemployment must not be the result of dismissal for disciplinary reasons.

**Partial unemployment benefit:** Paid to workers paid daily or at irregular intervals if working time is reduced by 25% or more relative to the legal or usual working time.

**Dependent's supplement:** Paid if the unemployed person is married, has children younger than age 21 (any age if disabled), or has disabled dependents.

There is a 12-month waiting period before a new claim for unemployment benefits can be made.

**Special unemployment subsidy (Subsidio Especial por Inactividad Compensada):** Must be 58 years or older with at least 28 years of contributions and have at least one year of unemployment. The benefit is paid for up to two years.

### Unemployment Benefits

**Unemployment benefit:** A sequence of monthly payments of 66%, 57%, 50%, 45%, 42%, and 40% of the insured's average earnings in the six months before unemployment is paid to workers paid monthly or at irregular intervals; a monthly benefit of 12 days of earnings before unemployment for workers who are paid daily. For workers aged 58 or older with at least 28 years of contributions, 40% of the insured's average earnings in the six months before unemployment is paid.

**Partial unemployment benefit:** The monthly benefit is the insured's earnings before partial unemployment minus the value of current monthly earnings.

Benefits are paid for up to six months (up to one year for workers aged 50 or older), and for up to two years for workers aged 58 or older with at least 28 years of contributions.

**Dependent's supplement:** 20% of the unemployment benefit is paid.

The minimum monthly unemployment benefit is 4,355 pesos.

The maximum monthly unemployment benefit is 47,918 pesos.

**Special unemployment subsidy (Subsidio Especial por Inactividad Compensada):** 40% of the insured's average gross monthly earnings in the six months before unemployment began is paid.

### Administrative Organization

Ministry of Labor and Social Security (<https://www.mtss.gub.uy/>) provides general supervision.

National Insurance Bank (<http://www.bse.com.uy/>) supervises and administers the program.

### Family Allowances

#### Regulatory Framework

**First law:** 1943.

**Current laws:** 1980 (family allowances), 1995 (social security for low-income families), 2002 (multiple pregnancies), 2008 (equity in family allowances), 2011 (non-contributory survivor pension), 2012 (benefit calculation), and 2013 (parental allowances).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Needy private-sector employees, household workers, persons receiving sickness, unemployment, or maternity benefits, newspaper vendors, small rural products vendors, and pensioners.

Exclusions: Self-employed persons.

**Social assistance:** Children of vulnerable families or children who are enrolled full time in activities organized by the Institute for Children and Adolescents (INAU).

Exclusions: Self-employed persons.

Special system for civil servants.

#### Source of Funds

##### Insured person

**Social insurance:** See source of funds under Old-age, Disability, and Survivors.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** Not applicable.

**Social assistance:** Not applicable.

##### Employer

**Social insurance:** See source of funds under Old-Age, Disability, and Survivors.

**Social assistance:** None.



### Government

*Social insurance:* Any deficit.

*Social assistance:* The total cost.

### Qualifying Conditions

#### **Family allowance (social insurance, income tested):**

Paid for children younger than age 14 (age 18 if a student, no limit if disabled). The benefit is paid from the day the pregnancy is confirmed. Children of school age must provide proof of school attendance. The pregnant mother must undergo prescribed medical examinations.

Income test: Parents or guardians may earn up to 10 BPC; for parents with three or more children, the income test is increased by 1 BPC for each additional dependent child.

The BPC (Base de Prestaciones y Contribuciones), an index that is adjusted annually to calculate taxation, income and social benefits, is 3,611 pesos (3,848 pesos as of January 2018).

**Multiple birth allowance (social insurance):** Paid to a pregnant woman expecting more than two children from the day the pregnancy is confirmed, independently of her employment status.

**Special allowances (social insurance and social assistance):** Paid for persons with disabilities according to the assessed need for transportation and other costs related to attending special education institutions. Persons with a disability receiving a benefit from the Ministry of Social Development (MIDES) who do not qualify for social insurance special allowances receive social assistance special allowances.

**Vulnerable family allowance (Plan de Equidad, social assistance, means tested):** Paid for children living in a socioeconomically vulnerable households. Paid from the birth of each child until age 14 if in primary school, age 16 if the child could not finish primary school for justified reasons, or age 18 if in higher education (no limit if disabled). Children younger than age 4 must undergo regular medical examinations; children aged 4 or older must provide proof of enrolment in a learning institution and regular attendance. The benefit cannot be combined with other family benefits.

### Family Allowance Benefits

**Family allowance (social insurance, income tested):** 16% of the BPC (577.76 pesos) a month is paid for each child to families with monthly earnings of up to 6 BPC; 8% of the BPC for each child to families with monthly earnings between 6 and 10 BPC. For families with monthly earnings

greater than 10 BPC, 8% of the BPC is paid if the family includes three dependent children and has earnings below 11 BPC, or as long as the additional earnings for each child above three do not exceed one BPC.

The BPC (Base de Prestaciones y Contribuciones), an index that is adjusted annually to calculate taxation, income and social benefits, is 3,611 pesos (3,848 pesos as of January 2018).

The allowance is doubled for children with disabilities.

The benefit is paid every two months.

**Multiple birth allowance (social insurance):** For a multiple birth, the family allowance is paid at three times the standard rate until the children reach age 5, at twice the standard rate until age 12, and at the standard rate until age 18. Multiple birth children are also entitled to receive routine medical care at home until age 3, and have priority in accessing medical care until age 9.

**Special allowances (social insurance and social assistance):** A monthly allowance of 2,400 pesos is paid for transportation costs and 4,976 pesos for rehabilitation costs (January 2018).

The benefit is paid every two months.

**Vulnerable family allowance (Plan de Equidad, social assistance, means tested):** A monthly benefit is paid that varies according to the number of beneficiaries per family, their age, and enrolment in an education institution.

A fixed monthly benefit of 1,404.16 pesos is paid for children enrolled full time in INAU activities (1,496.14 pesos as of January 2017); and 2,005.95 pesos for beneficiaries with a physical or mental disability (2,137.36 pesos as of January 2018).

In-kind benefits include pediatric care for children up to age 6, dental care for children up to age 9, and medical specialist care and transportation for children up to age 14. Free medical examinations and medicine for children are provided.

Benefit adjustment: Benefits are adjusted according to the consumer price index and an adjustable reference unit set by decree.

### Administrative Organization

Social Insurance Bank (<http://www.bps.gub.uy/>) supervises and administers benefits.

Ministry of Social Development (<http://www.mides.gub.uy/>) jointly administers the vulnerable care and special allowances programs.



## Venezuela

Exchange rate: US\$1.00 = 2,640.00 bolívares.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1940.

**Current laws:** 1995 (minimum pension), 2011 (social assistance), 2012 (social security), and 2012 (social insurance).

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Public- and private-sector employees; members of cooperatives; and household, seasonal, and casual workers.

Voluntary coverage for self-employed persons.

Special system for military personnel.

**Social assistance:** Needy residents of Venezuela.

#### Source of Funds

##### Insured person

**Social insurance:** 4% of monthly covered earnings for private-sector workers; 2% for public-sector workers.

The maximum monthly earnings used to calculate contributions are five times the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

The insured person's contributions also finance sickness and maternity benefits.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 13% of declared earnings.

**Social assistance:** None.

##### Employer

**Social insurance:** From 9% to 11% of covered payroll for private-sector workers, according to the assessed degree of risk; 4% of covered payroll for public-sector workers.

The maximum monthly earnings used to calculate contributions are five times the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

The employer's contributions also finance sickness and maternity benefits.

**Social assistance:** None.

#### Government

**Social insurance:** At least 1.5% of total covered earnings for administrative costs; contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 60 (men) or age 55 (women) with at least 750 weeks of contributions (250 weeks in the last 10 years for the voluntarily insured); if less than 750 weeks of contributions, the insured may continue to contribute until reaching 750 weeks. The normal retirement age is lower for those who perform unhealthy and arduous work.

Deferred pension: The pension may be deferred.

Special supplement: Paid to a person receiving an old-age pension.

The old-age pension is payable abroad.

**Old-age grant (social insurance):** Age 60 (men) or age 55 (women) with less than 750 weeks of contributions.

**Old-age social pension (Gran Misión en Amor Mayor, social assistance, income tested):** Age 60 (men) or age 55 (women), a resident of Venezuela for the last 10 years, and with total monthly household income below the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Special supplement: Paid to a person receiving an old-age social pension.

**Disability pension (social insurance):** Must be assessed with at least a 66.7% permanent or prolonged loss of working capacity and have at least 250 weeks of contributions (reduced by 20 weeks of contributions for each year the insured is younger than age 35), including at least 100 weeks in the three years before the disability began.

The disability pension cannot be combined with a cash sickness benefit (see Sickness and Maternity).

Special supplement: Paid to a pensioner receiving a disability pension.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability pension: Must be assessed with a 25% to 66.6% permanent or prolonged loss of working capacity.

**Disability grant (social insurance):** Must be assessed with at least a 66.7% permanent or prolonged loss of working capacity and have at least 100 weeks of contributions in the

last four years before the disability began, but not meet the contribution requirements for a disability pension.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension or was a pensioner at the time of death. There is no minimum qualifying period if the death was caused by an accident.

Eligible survivors include a widow older than age 45 or a female partner older than age 45 who cohabited with the deceased for at least two years; a widow or partner with dependent children; a dependent widower aged 60 or older (at any age if disabled); and unmarried children younger than age 14 (age 18 if a student, no limit if disabled). If there are no other survivors, siblings younger than age 14 and dependent parents are eligible.

Special supplement: Paid to a person receiving a survivor pension.

**Survivor grant (social insurance):** The deceased did not meet the contribution requirements for a social insurance old-age or disability pension but had at least 100 weeks of contributions in the four years before death.

**Funeral grant (social insurance):** Paid to the person who paid for the funeral of the insured or old-age or disability pensioner.

### **Old-Age Benefits**

**Old-age pension (social insurance):** The pension consists of a basic amount of 3,000 bolívares a month and an annual amount equal to 30% of the insured's reference salary and 1% of the reference salary for each 50-week period of contributions exceeding 750 weeks. The pension is paid monthly.

The reference salary is 20% of the insured's total covered earnings in the last five years or 10% in the last 10 years, whichever is greater.

The minimum monthly old-age pension is the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Deferred pension: An additional 5% of the pension is paid for each year the pension is deferred after the normal retirement age.

Special supplement: 29,259.47 bolívares a month is paid.

**Old-age grant (social insurance):** A lump sum of 10% of the insured's total covered earnings is paid.

Benefit adjustment: Benefits are adjusted periodically according to changes in prices and wages.

**Old-age social pension (Gran Misión en Amor Mayor, social assistance, income tested):** The legal monthly minimum wage is paid.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Special supplement: 29,259.47 bolívares a month is paid.

### **Permanent Disability Benefits**

**Disability pension (social insurance):** The pension consists of a basic amount of 3,000 bolívares a month and an annual amount equal to 30% of the insured's reference salary and 1% of the reference salary for each 50-week period of contributions exceeding 750 weeks. The pension is paid monthly.

The reference salary is 20% of the insured's total covered earnings in the last five years or 10% in the last 10 years, whichever is greater.

The minimum disability pension is 40% of the insured's reference salary or the legal monthly minimum wage, whichever is greater.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Special supplement: 29,259.47 bolívares a month is paid.

Constant-attendance supplement: Up to 50% of the disability pension is paid.

Partial disability: A percentage of the full disability pension is paid according to the assessed loss of working capacity.

**Disability grant (social insurance):** A lump sum of 10% of the insured's total covered earnings is paid.

Benefit adjustment: Benefits are adjusted periodically according to changes in prices and wages.

### **Survivor Benefits**

**Survivor pension (social insurance):** The minimum monthly survivor pension is the legal monthly minimum wage. If there is more than one eligible survivor, the monthly survivor pension is split equally among all eligible survivors.

The amounts paid are recalculated if the number of eligible survivors changes.

If there is no eligible widow(er), partner, or orphan, a lump sum of 10% of the deceased's total covered earnings may be paid to eligible siblings and parents as a lump sum.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

Special supplement: 29,259.47 bolívares a month is paid.

**Survivor grant (social insurance):** A lump sum of 10% of the deceased's total covered earnings is paid.

**Funeral grant (social insurance):** A lump sum of 5,000 bolívares is paid.

## Administrative Organization

Ministry of the People's Power for Labor and Social Security (<http://www.mpppst.gob.ve/mpppstweb/>) provides general supervision.

Social Insurance Institute (<http://www.ivss.gov.ve/>), managed by a tripartite board and director general, collects contributions and administers the program.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1940.

**Current laws:** 1998 (health care), 2007 (protection of children and adolescents), 2007 (family, maternity, and paternity protection), 2011 (household workers), 2012 (social insurance), 2012 (labor law), and 2012 (social security).

**Type of program:** Social insurance system.

### Coverage

Public- and private-sector employees; members of cooperatives; household, seasonal, and casual workers; persons receiving old-age, disability, or survivor benefits; and certain dependents.

### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** See source of funds under Old Age, Disability, and Survivors.

**Employer:** See source of funds under Old Age, Disability, and Survivors.

**Government:** See source of funds under Old Age, Disability, and Survivors.

### Qualifying Conditions

**Cash sickness, maternity, and paternity benefits:** There is no minimum qualifying period.

**Medical benefits:** There is no minimum qualifying period.

### Sickness and Maternity Benefits

**Sickness benefit:** 66.7% of the insured's average daily earnings is paid after a three-day waiting period for up to 52 weeks; may be extended under certain conditions. The benefit is reduced by 50% if the insured is hospitalized.

**Maternity benefit:** 100% of the insured's earnings is paid for up to six weeks before and 20 weeks after the date of childbirth (may be extended under certain conditions) or for 26 weeks from the date of placement for the adoption of a child younger than age 3.

**Paternity benefit:** 100% of the insured's earnings is paid for 14 days immediately following the date of childbirth or the date of placement for the adoption of a child younger than age 3.

### Workers' Medical Benefits

The Social Security Institute's medical facilities normally provide free medical services directly to patients for up to 52 weeks; may be extended for another 52 weeks for convalescent care. Benefits include general and specialist care, hospitalization, laboratory services, medicine, dental care, maternity care, appliances, and transportation.

Unemployed insured persons and their dependents are covered for medical benefits for up to 52 weeks; may be extended for another 52 weeks. Benefits include general and specialist care, hospitalization, laboratory services, medicine, dental care, maternity care, appliances, and transportation.

### Dependents' Medical Benefits

Medical benefits for dependents (and survivors) are the same as those for the insured. Pensioners' dependents receive medical benefits for a maximum of 26 weeks.

### Administrative Organization

Ministry of the People's Power for Labor and Social Security (<http://www.mpppst.gob.ve/mpppstweb/>) provides general supervision.

Social Insurance Institute (<http://www.ivss.gov.ve/>), managed by a tripartite board and director general, administers the program.

## Work Injury

### Regulatory Framework

**First law:** 1923.

**Current laws:** 1991 (social insurance), 2005 (prevention and working conditions), and 2012 (social security).

**Type of program:** Social insurance system.

### Coverage

Public- and private-sector employees; members of cooperatives; and household and custodial workers.

Voluntary coverage for self-employed persons.

Exclusions: Military personnel.

### Source of Funds

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 0.75% to 10% of covered payroll, according to the assessed degree of risk.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

### **Temporary Disability Benefits**

100% of the insured's earnings is paid after a three-day waiting period until the insured is rehabilitated, recovered, or certified with a permanent disability.

### **Permanent Disability Benefits**

**Permanent disability pension:** For an assessed permanent or prolonged loss of working capacity of at least 66.7%, the pension consists of a basic monthly amount of 3,000 bolívares and an annual amount of 30% of the insured's reference salary plus 1% of the reference salary for each 50-week period of contributions exceeding 750 weeks.

The reference salary is 20% of the insured's total covered earnings in the last five years or 10% in the last 10 years, whichever is greater.

The minimum monthly permanent disability pension is 66.66% of the insured's covered earnings.

**Constant-attendance supplement:** Up to 50% of the insured's disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

**Partial disability:** For an assessed permanent or prolonged loss of working capacity of 26% to 66.6%, a percentage of the full permanent disability pension is paid according to the assessed loss of working capacity. For an assessed permanent or prolonged loss of working capacity of 5% to 25%, a lump sum of three times the insured's reference salary multiplied by the assessed loss of working disability is paid.

**Schedule of payments:** 14 payments a year.

### **Workers' Medical Benefits**

Benefits include free general, specialist, and dental care; hospitalization; medicine; laboratory services; appliances; and rehabilitation services.

### **Survivor Benefits**

**Survivor pension:** The minimum monthly survivor pension is the legal monthly minimum wage. If there is more than one eligible survivor, the monthly survivor pension is split equally among all eligible survivors.

The amount paid is recalculated if the number of eligible survivors changes.

If there is no eligible widow(er), partner, or orphan, a lump sum of 10% of the deceased's total covered earnings may be paid to eligible siblings and parents as a lump sum.

The legal monthly minimum wage is 97,531.56 bolívares a month (177,507.44 bolívares as of November 2017).

**Funeral grant:** A lump sum of 5,000 bolívares is paid.

### **Administrative Organization**

Ministry of the People's Power for Labor and Social Security (<http://www.minpptrass.gob.ve/>) provides general supervision.

National Institute for Prevention, Health, and Security at Work (<http://www.inpsasel.gob.ve/>) collects contributions and administers the program.

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### **Unemployment**

#### **Regulatory Framework**

**First law:** 1940.

**Current laws:** 2005 (unemployment) and 2012 (social security).

**Type of program:** Social insurance system.

#### **Coverage**

Public- and private-sector employees, members of cooperatives, household and custodial workers, self-employed persons, and apprentices.

#### **Source of Funds**

**Insured:** 0.5% of covered earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

The insured person's contributions also finance health insurance for unemployed persons.

**Self-employed person:** 2.5% of covered earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are five times the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

The self-employed person's contributions also finance health insurance for unemployed persons.

**Employer:** 2% of covered payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are five times the legal monthly minimum wage.

The legal monthly minimum wage is 97,531.56 bolívares (177,507.44 bolívares as of November 2017).

The employer's contributions also finance health insurance for unemployed persons.

**Government:** Any deficit; contributes as an employer; may subsidize up to 50% of contributions for low-income insured persons.

### **Qualifying Conditions**

Must have at least 12 months of contributions in the 24 months before unemployment began and be available for training or suitable employment. Self-employed persons must have involuntarily lost their income.

### **Unemployment Benefits**

60% of the insured's average monthly earnings in the last 12 months is paid for up to five months.

Unemployment beneficiaries and their dependents receive medical benefits for up to 52 weeks (see Sickness and Maternity).

### **Administrative Organization**

Ministry of the People's Power for Labor and Social Security (<http://www.minpptrass.gob.ve/>) provides general supervision.

Employment services administer training and guidance.

Social Insurance Institute (<http://www.ivss.gov.ve/>), managed by a tripartite board and director general, administers the program.

### **Family Allowances**

#### **Regulatory Framework**

**First and current law:** 2015 (food basket).

**Type of program:** Employer-liability system.

### **Coverage**

Public- and private-sector employees.

Exclusion: Self-employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

**Food cash transfer (Cestaticket Socialista):** There is no minimum qualifying period.

### **Family Allowance Benefits**

**Food cash transfer (Cestaticket Socialista):** 135,000 bolívares a month is paid (May 2017).

### **Administrative Organization**

Employers pay the food cash transfer directly to employees.

Ministry of the People's Power for Labor and Social Security (<http://www.mpppst.gob.ve/>) provides general supervision.