

# Social Security Programs Throughout the World: The Americas, 2019



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## Preface

This fourth issue in the 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.

This volume is the last edition of *Social Security Programs Throughout the World* produced as a cooperative effort between the Social Security Administration (SSA) and the International Social Security Association (ISSA). The ISSA, which will continue to provide country profiles on its website, 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. The 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 2019, or the last date for which information has been received by SSA or the ISSA. We added a new country, Aruba, to this volume.

Harald Braumann, Luisa Carmona, 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 Dissemination 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.ssa.gov/policy>. The information reported in the country summaries is also available on the ISSA website at <https://www.issa.int/country-profiles>.

**Katherine N. Bent**  
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March 2020

***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.ssa.gov/policy/docs/progdsc/ssptw/2018-2019/americas/index.html>.

# Contents

## *Guide to Reading the Country Summaries*

Information Sources.....	1
<b>Types of Programs</b>	
Employment-Related .....	2
Universal .....	2
Means-Tested .....	3
Other Types of Programs .....	3
<b>Format of Country Summaries</b>	
Old Age, Disability, and Survivors .....	4
Sickness and Maternity .....	8
Work Injury .....	11
Unemployment.....	13
Family Allowances.....	15
<b>Tables</b>	
1. Social security programs, by country and type.....	17
2. Mandatory old-age income security programs, by country and type.....	19
3. Demographic and other social security-related statistics, by country, 2017–2019.....	21
4. Insured and employer contribution rates, by country and program type, 2019.....	23

## *Country Summaries*

Antigua and Barbuda .....	31	Grenada .....	169
Argentina.....	36	Guatemala .....	174
Aruba.....	47	Guyana .....	179
Bahamas.....	52	Haiti.....	185
Barbados .....	58	Honduras .....	188
Belize .....	65	Jamaica.....	195
Bermuda.....	70	Mexico .....	200
Bolivia.....	76	Nicaragua .....	209
Brazil.....	85	Panama .....	215
British Virgin Islands .....	94	Paraguay.....	222
Canada.....	98	Peru .....	228
Chile.....	108	Saint Kitts and Nevis .....	236
Colombia.....	123	Saint Lucia .....	241
Costa Rica .....	134	Saint Vincent and the Grenadines .....	246
Cuba .....	141	Suriname .....	252
Dominica.....	146	Trinidad and Tobago .....	256
Dominican Republic .....	151	United States of America .....	262
Ecuador .....	157	Uruguay.....	271
El Salvador.....	163	Venezuela .....	283



## Guide to Reading the Country Summaries

This fourth issue in the 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 the 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 2019 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.)

## 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

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

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



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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, are typically financed 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; 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

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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**

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 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.

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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 based

on 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 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 population 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

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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 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 coun-



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tries 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, based on 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 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,



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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 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 insur-

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ance 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. 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

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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 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

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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 depending on 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 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.



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**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 depending on the duration of services or their total cost.

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



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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 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

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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 based on 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.

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 per-

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sons 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.

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

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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	<sup>a</sup> X		
Argentina	X	<sup>a</sup> X	X	X	<sup>a</sup> X	X	X
Aruba	<sup>b</sup> X	X	X	X	X	<sup>a</sup> 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	X
Cuba	X	X	X	X	X		
Dominica	X	X	X		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	X	X		X		
Honduras	X	X	X	X	<sup>a</sup> X	X	X
Jamaica	X	<sup>a</sup> X	X	X	X		X
Mexico	X	X	X	X	X		X
Nicaragua	X	X	X	X	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		
Panama	X	X	X	X	<sup>a</sup> X	X	X
Paraguay	X	X	X	X	X		<sup>a</sup> X
Peru	X	X	X	X	X	X	<sup>a</sup> X
Saint Kitts and Nevis	X	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	<sup>a</sup> X	X	X
Venezuela	X	X	X	X	X	X	<sup>a</sup> X

SOURCE: The country summaries in this volume.

a. Employer-liability system only.

b. Old-age and survivors benefits only.

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

Country	Contributory		Non-contributory		Provident funds <sup>a</sup>	Occupational pensions	Individual accounts
	Flat-rate	Earnings-related	Means-tested	Universal			
Antigua and Barbuda		X	X				
Argentina	<sup>b</sup> X	<sup>b</sup> X	X				
Aruba	X					X	
Bahamas		X	X				
Barbados		X	X				
Belize		X	X				
Bermuda	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	Contributory		Non-contributory		Provident funds <sup>a</sup>	Occupational pensions	Individual accounts
	Flat-rate	Earnings-related	Means-tested	Universal			
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	X		X				

SOURCE: The country summaries in this volume.

NOTES: The types of mandatory old-age income programs are defined as follows:

**Contributory flat-rate pension:** A pension amount that is independent of earnings, but can vary depending on length of service, residency, or other factors. It is financed by payroll tax contributions from employees, employers, or both.

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

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

**Non-contributory universal pension:** A pension paid to eligible persons based primarily on residency and not earnings or financial means. 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 pensions:** Employers are required by law to provide private occupational retirement programs financed by employer and, in some cases, employee contributions. Benefits are paid as a lump sum, annuity, or pension.

**Individual accounts:** 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, 2017–2019**

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	0.096	8.8	44.7	75.6	77.9	62	62	60	60	26,868
Argentina	44.49	11.1	56.0	72.9	79.7	65	60	c	c	20,611
Aruba	0.106	13.6	45.7	73.5	78.4	62.5	62.5	c	c	39,455
Bahamas	0.386	7.3	42.3	71.3	75.7	65	65	60	60	32,088
Barbados	0.287	15.8	49.6	77.6	80.3	67	67	60	60	18,554
Belize	0.383	4.7	53.9	71.5	77.5	65	65	60	60	8,648
Bermuda	0.064	<sup>d</sup> 19.7	<sup>d</sup> 57.3	77.7	85.4	65	65	c	c	<sup>e</sup> 52,547
Bolivia	11.35	7.2	62.0	68.2	73.9	60	60	c	c	7,873
Brazil	209.47	8.9	43.4	71.8	79.2	<sup>f</sup> 65	<sup>f</sup> 60	c	c	16,096
British Virgin Islands	0.030	<sup>d</sup> 10.1	<sup>d</sup> 36.4	<sup>d</sup> 77.7	<sup>d</sup> 80.8	65	65	c	c	34,200
Canada	37.06	17.2	49.5	80.3	84.3	65	65	60	60	48,130
Chile	18.73	11.5	45.5	77.3	82.3	65	60	c	c	25,223
Colombia	49.65	8.5	46.1	74.1	79.7	62	57	c	c	15,013
Costa Rica	5.00	9.5	44.7	77.4	82.6	65	65	62	60	17,671
Cuba	11.34	15.2	45.8	76.7	80.6	65	60	c	c	<sup>g</sup> 12,300
Dominica	0.072	<sup>d</sup> 12.1	<sup>d</sup> 50.4	<sup>d</sup> 74.7	<sup>d</sup> 80.9	64	64	60	60	11,130
Dominican Republic	10.63	7.1	54.0	70.6	77.0	60	60	55	55	17,748
Ecuador	17.08	7.2	54.3	73.8	79.4	60	60	c	c	11,734
El Salvador	6.42	8.3	54.8	68.0	77.4	60	55	c	c	8,332
Grenada	0.111	9.6	49.7	70.1	74.9	60	60	c	c	15,558
Guatemala	17.25	4.8	64.6	70.8	76.7	60	60	c	c	8,462
Guyana	0.779	6.5	53.1	66.6	72.8	65	65	c	c	8,641
Haiti	11.12	4.9	61.8	61.1	65.5	55	55	c	c	1,867
Honduras	9.59	4.7	57.3	72.6	77.2	65	60	c	c	5,139
Jamaica	2.93	8.8	48.3	72.7	75.9	65	65	c	c	9,327
Mexico	126.19	7.2	51.0	72.0	77.8	68	68	c	c	19,845
Nicaragua	6.47	5.2	54.9	70.6	77.5	60	60	c	c	5,534

(Continued)

**Table 3.**  
**Demographic and other social security-related statistics, by country, 2017–2019—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	
Panama	4.18	8.1	54.2	75.1	81.4	62	57	60	55	25,554
Paraguay	6.96	6.4	55.9	72.0	76.1	60	60	55	55	13,600
Peru	31.99	8.1	51.2	73.6	79.0	65	65	55	50	14,418
Saint Kitts and Nevis	0.052	<sup>d</sup> 10.0	<sup>d</sup> 42.6	<sup>d</sup> 74.1	<sup>d</sup> 79.1	62	62	c	c	30,208
Saint Lucia	0.182	9.8	39.5	74.6	77.3	65	65	60	60	13,881
Saint Vincent and the Grenadines	0.110	9.6	47.3	70.1	74.9	62	62	60	60	12,288
Suriname	0.576	6.9	51.7	68.3	74.8	60	60	c	c	15,510
Trinidad and Tobago	1.39	10.7	45.3	70.6	76.0	h	h	h	h	32,015
United States	327.17	15.8	52.7	76.1	81.1	66	66	62	62	62,795
Uruguay	3.45	14.8	54.9	73.8	81.2	60	60	c	c	23,572
Venezuela	28.87	7.3	53.7	68.5	76.2	60	55	c	c	<sup>i</sup> 18,102

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 to 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, information is not available, or the pension is awarded at any age if certain qualifying conditions are met.
- d. 2020 population estimate.
- e. 2013 GDP.
- f. Urban workers.
- g. 2016 GDP.
- h. The retirement age is flexible.
- i. 2014 GDP.



**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2019 (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	5.5	a	0	...	...	5.5
Employer	7.5	a	b	...	...	<sup>b</sup> 7.5
Total	13.0	a	<sup>b</sup> 0	...	...	<sup>b</sup> 13.0
<b>Argentina</b>						
Insured person	11.00	0	0	0	0	11.00
Employer	10.74	a, b	b	0.92	4.57	<sup>b</sup> 16.23
Total	21.74	<sup>a, b</sup> 0	<sup>b</sup> 0	0.92	4.57	<sup>b</sup> 27.23
<b>Aruba</b>						
Insured person	8.5	0	0	0	0	8.50
Employer	14.0	2.7	0.25	b, c	0	<sup>b</sup> 16.95
Total	22.5	2.7	0.25	b, c	0	<sup>b</sup> 25.45
<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	2.25	0	11.75
Total	17.60	a	0.75	3.50	0	21.85
<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	<sup>b</sup> 10	<sup>a</sup> 1.71	...	13	<sup>b</sup> 27.71
Total	15.21	<sup>b</sup> 10	<sup>a</sup> 1.71	...	13	<sup>b</sup> 39.92

(Continued)

**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2019**  
**(in percent)—Continued**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<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
<b>British Virgin Islands</b>						
Insured person	4.0	a	0	...	...	4.0
Employer	4.5	a	a	...	...	4.5
Total	8.5	a	<sup>a</sup> 0	...	...	8.5
<b>Canada</b>						
Insured person	5.1	a	0	1.620	0	6.720
Employer	5.1	a	c	2.268	0	<sup>c</sup> 7.368
Total	10.2	a	c	3.888	0	<sup>c</sup> 14.088
<b>Chile</b>						
Insured person	10.00	7	0	0.6	0	17.60
Employer	1.53	a, b	0.93	2.4	0	<sup>b</sup> 4.86
Total	10.53	<sup>a, b</sup> 7	0.93	3.0	0	<sup>b</sup> 22.46
<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	<sup>a</sup> 4.84	5.5	0	0	0	10.34
Employer	8.33	<sup>b</sup> 9.25	b	1.5	5	<sup>b</sup> 24.08
Total	13.17	<sup>b</sup> 14.75	<sup>b</sup> 0	1.5	5	<sup>b</sup> 34.42
<b>Cuba</b>						
Insured person	2.5	a	a	...	...	2.5
Employer	14.5	a	a	...	...	14.5
Total	17.0	a	a	...	...	17.0
<b>Dominica</b>						
Insured person	6.00	a	0	...	...	6.00
Employer	6.75	a	a	...	...	6.75
Total	12.75	a	<sup>a</sup> 0	...	...	12.75

(Continued)

**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2019**  
**(in percent)—Continued**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<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
<b>Ecuador</b>						
Insured person	6.74	0	0	2	0	8.74
Employer	2.22	<sup>b</sup> 9	0.2	1	0	<sup>b</sup> 12.42
Total	8.96	<sup>b</sup> 9	0.2	3	0	<sup>b</sup> 21.16
<b>El Salvador</b>						
Insured person	7.25	3.0	a	...	0	10.25
Employer	7.75	7.5	a	...	0	15.25
Total	15.00	10.5	a	...	0	25.50
<b>Grenada</b>						
Insured person	4	<sup>a</sup> 0	0	...	...	4
Employer	4	a, b	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	a	a	...	0	5.6
Employer	8.4	a	a	...	0	8.4
Total	14.0	a	a	...	0	14.0
<b>Haiti</b>						
Insured person	6	3	0	...	...	9
Employer	6	3	2	...	...	11
Total	12	6	2	...	...	20
<b>Honduras</b>						
Insured person	2.5	2.5	0	0	0	5.00
Employer	3.5	<sup>b</sup> 5.0	b	<sup>b</sup> 1.98	0	<sup>b</sup> 10.48
Total	6.0	<sup>b</sup> 7.5	<sup>b</sup> 0	<sup>b</sup> 1.98	0	<sup>b</sup> 15.48

(Continued)

**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2019**  
**(in percent)—Continued**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<b>Jamaica</b>						
Insured person	2.75	<sup>a</sup> 0	0	...	0	2.75
Employer	2.75	a, b	a	...	0	<sup>b</sup> 2.75
Total	5.50	<sup>a, b</sup> 0	<sup>a</sup> 0	...	0	<sup>b</sup> 5.50
<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	4.75	2.25	0	...	a	7.0
Employer	12.50	6.00	3	...	a	21.5
Total	17.25	8.25	3	...	a	28.5
<b>Panama</b>						
Insured person	9.25	0.5	0	0	0	9.75
Employer	4.25	0.5	b	c	0	<sup>b, c</sup> 4.25
Total	13.50	0.5	<sup>b</sup> 0	c	0	<sup>b, c</sup> 14.00
<b>Paraguay</b>						
Insured person	9	a	a	...	0	9.0
Employer	14	<sup>a</sup> 2.5	a	...	b	<sup>b</sup> 16.5
Total	23	<sup>a</sup> 2.5	a	...	<sup>b</sup> 0	<sup>b</sup> 25.5
<b>Peru</b>						
Insured person	13	0	0	0	0	13.00
Employer	0	9	0.63	b, c	b	<sup>b, c</sup> 9.63
Total	13	9	0.63	b, c	<sup>b</sup> 0	<sup>b, c</sup> 22.63
<b>Saint Kitts and Nevis</b>						
Insured person	5	a	0	...	0	5
Employer	5	a	1	...	0	6
Total	10	a	1	...	0	11
<b>Saint Lucia</b>						
Insured person	5	a	a	...	...	5
Employer	5	a	a	...	...	5
Total	10	a	a	...	...	10

(Continued)

**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2019**  
**(in percent)—Continued**

Country and contributor	Old-age, disability, and survivors	Sickness and maternity	Work injury	Unemployment	Family allowances	Total, all programs
<b>Saint Vincent and the Grenadines</b>						
Insured person	4.5	a	0	...	...	4.5
Employer	5.5	a	a	...	...	5.5
Total	10.0	a	<sup>a</sup> 0	...	...	10.0
<b>Suriname</b>						
Insured person	2.5	0	0	...	0	2.5
Employer	6.5	b	b	...	0	<sup>b</sup> 6.5
Total	9.0	<sup>b</sup> 0	<sup>b</sup> 0	...	0	<sup>b</sup> 9.0
<b>Tobago</b>						
Insured person	4.4	<sup>a</sup> 0	<sup>a</sup> 0	...	0	4.4
Employer	8.8	a, b	a, b	...	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	...	6.2
Employer	6.2	...	<sup>b</sup> 1.3	0.6	...	<sup>b</sup> 8.1
Total	12.4	...	<sup>b</sup> 1.3	0.6	...	<sup>b</sup> 14.3
<b>Uruguay</b>						
Insured person	15.0	<sup>a</sup> 0	0	a	a	15.0
Employer	7.5	a, b	b	a	a	<sup>b</sup> 7.5
Total	22.5	<sup>a, b</sup> 0	<sup>b</sup> 0	a	a	<sup>b</sup> 22.5
<b>Venezuela</b>						
Insured person	4	a	0	0.5	0	4.50
Employer	9	a	0.75	2.0	b	<sup>b</sup> 11.75
Total	13	a	0.75	2.5	<sup>b</sup> 0	<sup>b</sup> 16.25

(Continued)

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**Table 4.**  
**Insured and employer contribution rates, by country and program type, 2019**  
**(in percent)—Continued**

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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. Nontandard 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, international organization employees, and foreign military personnel residing in Antigua and Barbuda.

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

#### Source of Funds

##### Insured person

**Social insurance:** 5.5% (gradually rising by 0.25% a year until reaching 7% by 2025) (private sector) or 4.5% (gradually rising by 0.25% a year until reaching 6% by 2025) (public sector) of gross monthly covered earnings.

Gross earnings include basic earnings, overtime pay, vacation and holiday pay, bonuses, commissions, housing allowances, and other incentives.

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 earnings used to calculate contributions are EC\$1,500 a week; EC\$3,000 every two weeks; or EC\$6,500 a month.

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

**Social assistance:** None.

##### Employer

**Social insurance:** 7.5% (gradually rising by 0.25% a year until reaching 9% by 2025) of gross monthly covered payroll.

Gross earnings include basic earnings, overtime pay, vacation and holiday pay, bonuses, commissions, housing allowances, and other incentives.

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 earnings used to calculate contributions are EC\$1,500 a week; EC\$3,000 every two weeks; or EC\$6,500 a month.

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 (Age Pension, social insurance):

Age 62 (gradually rising by one year every two years until reaching age 65 in 2025) with at least 600 weeks (gradually rising by 50 weeks every two years until reaching 750 weeks in 2025) of contributions.

Early pension: Age 60 and meets the contribution requirements for an old-age pension.

The old-age pension is payable abroad.

##### Old-age settlement (Age Grant, social insurance):

Age 62 with at least 52 weeks but less than 600 weeks of contributions.

The old-age settlement is payable abroad.

### **Old-age assistance (social assistance, income tested):**

Age 86 (age 60 if blind or disabled) and a resident of Antigua and Barbuda for at least 15 years (20 years if not a citizen).

Income test: Annual income from all sources must be below EC\$5,000.

**Disability pension (Invalidity Pension, social insurance):** Must be younger than age 60, be assessed with a disability, and have at least 156 weeks of contributions immediately before the disability began.

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.

The disability pension is payable abroad.

**Disability settlement (Invalidity Grant, social insurance):** Must be younger than age 60, 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.

The disability settlement is payable abroad.

**Survivor pension (Survivor's 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 orphans younger than age 16 (age 18 if a student, no limit if disabled).

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

The survivor pension is payable abroad.

**Survivor settlement (Survivor's Grant, social insurance):** The deceased 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 orphans younger than age 16 (age 18 if a student, no limit if disabled).

The survivor settlement is payable abroad.

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

The funeral grant is payable abroad.

### **Old-Age Benefits**

**Old-age pension (Age Pension, social insurance):** 25% of the insured's average annual earnings plus 1% for every 50 weeks of contributions exceeding 600 weeks (gradually rising until reaching 750 weeks in 2025) of contributions is paid.

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 old-age pension is EC\$350.

The maximum monthly old-age pension is 50% of the maximum earnings used to calculate benefits.

Early pension: The pension is reduced by 0.5% for each month it is claimed before the normal retirement age.

Benefit adjustment: Benefits are adjusted based on actuarial recommendations.

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

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

### **Permanent Disability Benefits**

**Disability pension (Invalidity Pension, social insurance):** 25% of the insured's average annual earnings plus 1% for every 50 weeks of contributions exceeding 500 weeks of contributions is paid.

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 disability pension is EC\$350.

The maximum monthly old-age pension is 50% of the maximum earnings used to calculate benefits.

Benefit adjustment: Benefits are adjusted based on actuarial recommendations.

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

### **Survivor Benefits**

**Survivor pension (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 for life to a widow aged 50 or older; for 12 months to a widow

younger than age 50; for the duration of the disability to a disabled widow(er).

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.

Benefit adjustment: Benefits are adjusted based on actuarial recommendations.

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

**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 and collects contributions for the social insurance program.

### Sickness and Maternity

#### Regulatory Framework

**First law:** 1978 (medical benefits).

**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 benefits only).

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

**Medical benefits:** 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 monthly covered earnings; 2.5% if aged 60 to 69; none if aged 70 or older.

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 monthly declared earnings based on three salaried classes set by the Medical Benefits Scheme; 2.5% if aged 60 to 69; none if aged 70 or older.

##### Employer

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

*Medical benefits:* 3.5% of gross monthly payroll; 7% for employees with earnings below EC\$100 a week or EC\$400 a month; none for employees aged 60 or older.

There are no maximum earnings used to calculate contributions.

##### Government

*Cash benefits:* None.

*Medical benefits:* None; contributes as an employer.

#### Qualifying Conditions

**Cash sickness benefit:** Must be aged 16 to 61, have at least 26 weeks of contributions, and have worked at least eight weeks in the three calendar months before the incapacity began, and have been employed the day before the incapacity began. The incapacity must not be the result of a work-related injury.

**Cash maternity benefit:** Must be aged 16 to 61 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 contributions in the year before the expected date of childbirth.

**Medical benefits (Medical Benefits Scheme):** Must have at least 26 weeks of contributions in any calendar year or in any 12-month period, be younger than age 16, or be elderly and permanently incapable of work. Must be receiving treatment for asthma, cancer, cardiovascular diseases, certified mental incapacity, diabetes, epilepsy, glaucoma, hypertension, leprosy, Parkinson's, or sickle cell anaemia.

#### 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



## Antigua and Barbuda

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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**

**Medical benefits (Medical Benefits Scheme):** Public health facilities provide medical services for the treatment of the targeted health conditions.

Necessary medical treatment is permitted abroad.

### **Dependents' Medical Benefits**

Dependents must qualify for benefits in their own right.

### **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, Wellness and the Environment provides general supervision for the medical benefits.

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

### **Work Injury**

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#### **Regulatory Framework**

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

**Type of program:** Employer-liability system through public and private carriers.

#### **Coverage**

Private-sector and certain public-sector employees.

Exclusions: Certain public-sector employees, police and military personnel, home workers, family labor, certain casual 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; contributes as an employer.

### **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 disability 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 disability 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 disability 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 disability began, whichever is the greater.

The maximum permanent disability benefit is EC\$250,000.

Partial disability: For an assessed degree of disability of at least 2% but less than 100%, a percentage of the full permanent disability benefit is paid based on 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.

Average weekly or monthly earnings are calculated on the deceased's covered earnings in the 12 months before

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the death. If the deceased had 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 deceased's earnings at the time of death, whichever is the greater.

**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.

Employers insure work injury liability through public or private carriers.

## ***Unemployment***

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### ***Regulatory Framework***

Under the 1975 Labour Code, employers must provide severance pay to employees who are laid off and have been employed for at least one year. The minimum payment amount is one day of the employee's basic wages, excluding overtime pay, for each month of employment.

## Argentina

Exchange rate: US\$1.00 = 42.69 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1904 to 1954 (various laws on special categories).

**Current laws:** 1971 (old-age and disability pensions); 1993 (private-sector workers and self-employed persons); 1998 (simplified contributions for small earners); 2004 (early retirement), implemented in 2005; 2008 (pensions adjustment), implemented in 2009; and 2016 (universal old-age pension).

**Type of program:** 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 a new first-pillar PAYG system (Integrated Argentinian Pension System [SIPA]).

#### Coverage

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

Voluntary coverage for clergy, corporate directors and shareholders without mandatory coverage, honorary cooperative board members, housewives, and certain other 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 energy sector workers.

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

#### Source of Funds

##### Insured person

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

The minimum monthly earnings used to calculate contributions are 4,009.94 pesos (June 2019).

The maximum monthly earnings used to calculate contributions are 130,321 pesos (June 2019).

Contributions based on the 13th monthly salary in each year are paid in two halves (one in June and the other in December).

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 27% of monthly reference earnings for most categories of self-employed persons based on five income categories (from 6,683.15 pesos to 29,405.82 pesos a month).

Self-employed persons enrolled in a simplified program for small contributors pay 493.31 pesos to 1,279.52 pesos a month (Monotributo), depending on their declared earnings; small contributors with annual earnings below 138,127.99 pesos are exempt from contributions (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

**Social insurance:** 10.47% or 12.53% of gross monthly covered payroll, depending on the activity of the enterprise; 16% for public-sector employers.

The gross monthly earnings used to calculate contributions are reduced by 7,003.68 for most categories of private-sector employers; by 17,509.20 for certain public-sector employers, employers in the textile industry, health sector, in agriculture, and certain other employers.

The minimum monthly earnings (after adjustments) used to calculate contributions are 4,009.94 pesos (June 2019).

There are no maximum earnings used to calculate contributions.

Contributions based on the 13th monthly salary in each year are paid in two halves (one in June and the other in December).

**Social assistance:** None.

##### Government

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

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (Jubilación Ordinaria Contributiva, 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 normal retirement age for one year of missing contributions.)

The retirement age and contribution requirements are reduced up to 10 years if the insured has worked in hazardous, arduous, or unhealthy occupations.

The old-age pension is payable abroad under bilateral or multilateral agreement.

**Advanced old-age pension (Prestación por Edad Avanzada, social insurance):** Age 70 with at least 10 years of contributions, including at least five years of contributions in 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.

The advanced old-age pension is payable abroad under bilateral or multilateral agreement.

**Old-age social pension (Pensión Universal para el Adulto Mayor [PUAM], social assistance, means tested):** Age 65 and not receiving any other pension. Naturalized citizens must have at least ten years of residence in Argentina immediately before the claim is made; resident foreign citizens must have at least 20 years of residence, including at least 10 years immediately before the claim is made.

Means test: The beneficiary's total gross income in the last 12 months must not exceed 645,948 pesos; the value of his or her assets must not exceed four times this threshold (2,583,792 pesos); and his or her total expenditures in the last 12 months must not exceed this threshold by more than 30% (839,732.40 pesos).

The old-age social pension is not payable abroad.

**Noncontributory old-age pension (Pensión No Contributiva por Vejez [PNC-Vejez], social assistance, means tested):** Age 70, not receiving any other pension, and not have family members able to provide financial or nutritional support. Naturalized citizens must have at least five years of residence in Argentina immediately before the claim is made; resident foreign citizens must have at least 40 years of residence.

Means test: The beneficiary's income and assets must be below a subsistence level. The beneficiary's spouse must not be receiving a social insurance or social assistance old-age or disability pension.

The noncontributory old-age pension is not payable abroad.

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

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

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

for the social insurance old-age pension and have at least 12 months of contributions in the 60 months before the disability began.

A medical commission assesses the loss of work capacity.

The disability pension is payable abroad under bilateral or multilateral agreement.

**Advanced-age disability pension (Prestación por Edad Avanzada por Invalidez, social insurance):** Must be aged 65 or older, assessed with at least a 66% loss of work capacity, be a regular or qualifying irregular contributor, and not be receiving any other pension.

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

Qualifying irregular contributors must have at least 18 months of contributions in the 36 months before the disability began, or meet 50% of the contribution requirement for the social insurance old-age pension and have at least 12 months of contributions in the 60 months before the disability began.

The advanced-age disability pension is payable abroad under bilateral or multilateral agreement.

**Noncontributory disability pension (Pensión No Contributiva por Invalidez [PNC-Invalidez], social assistance, means tested):** Must be younger than the normal retirement age, have at least a 76% assessed loss of work capacity, not be receiving any other pension, and not have any family members able to provide financial or nutritional support. Naturalized citizens must have at least five years of residence in Argentina immediately before the claim is made; resident foreign citizens must have at least 20 years of residence.

Means test: The beneficiary's income and assets must be below a subsistence level. The beneficiary's spouse must not be receiving a social insurance or social assistance old-age or disability pension.

Doctors at public healthcare facilities assess the loss of work capacity.

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

The noncontributory disability pension is not payable abroad.

**Survivor pension (Pensión por Fallecimiento Contributiva, 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), unmarried orphans younger than age 18 who are not receiving any other benefits, a widowed daughter younger than age 18 who is not receiving any other benefit,

and a child with a disability (no age limit) who was dependent on the deceased.

The survivor pension is payable abroad under bilateral or multilateral agreement.

**Noncontributory survivor pension (Pensión por Fallecimiento No Contributiva, social assistance):** The deceased was receiving a noncontributory old-age pension or a noncontributory mother's pension at the time of death.

If the deceased was receiving a noncontributory old-age pension, eligible survivors include a dependent widow(er) or partner aged 70 or older (regardless of age if disabled) who lived with the deceased for at least five years. If the deceased was receiving a noncontributory mother's pension, eligible survivors include a dependent, disabled widower or male partner, and children younger than age 18 (no age limit if disabled).

The noncontributory survivor pension cannot be combined with an old-age social pension, a child benefit, a universal family allowance, a universal child allowance, or a universal pregnancy allowance.

**Funeral grant (Subsidio de Contención Familiar, social insurance):** Paid to the person who paid for the funeral of an insured person who was receiving a social insurance old-age or disability pension or was entitled to receive and had applied for but was not yet receiving an old-age or disability pension.

### Old-Age Benefits

**Old-age pension (Jubilación Ordinaria Contributiva, social insurance):** The pension is the sum of three components: a flat-rate basic pension, a compensatory pension based on years of contributions 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.

*Basic pension:* 3,619.07 pesos a month is paid (March 2018).

*Compensatory pension:* The monthly 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.

*Additional pension:* The monthly 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 pension, compensatory pension, and additional pension) is 11,528.44 pesos (June 2019).

The maximum monthly old-age pension (basic pension, compensatory pension, and additional pension) is 84,459.47 pesos (June 2019).

*Schedule of payments:* The old-age pension is paid monthly, with a 13th payment equal to the regular monthly payment paid in two halves (one in June and the other in December).

*Benefit adjustment:* Benefits are adjusted in March, June, September, and December based on changes in the consumer price index (weighted at 70%) and changes in the average national wage of formal-sector workers (weighted at 30%).

**Advanced old-age pension (Prestación por Edad Avanzada, social insurance):** The pension is the sum of three components: a flat-rate basic 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.

*Basic pension:* 70% of 3,619.07 pesos a month is paid (March 2018).

*Compensatory pension:* The monthly 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.

*Additional pension:* The monthly 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 paid in two halves (one in June and the other in December).

*Benefit adjustment:* Benefits are adjusted in March, June, September, and December based on changes in the consumer price index (weighted at 70%) and changes in the average national wage of formal-sector workers (weighted at 30%).

**Old-age social pension (Pensión Universal para el Adulto Mayor [PUAM], social assistance, means tested):** 80% of the minimum monthly old-age pension is paid.

The minimum monthly old-age pension is 11,528.44 pesos (June 2019).

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



**Noncontributory old-age pension (Pensión No Contributiva por Vejez [PNC-Vejez], social assistance, means tested):** 70% of the minimum monthly old-age pension is paid.

The minimum monthly old-age pension is 11,528.44 pesos (June 2019).

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

### **Permanent Disability Benefits**

**Disability pension (Retiro por Invalidez, social insurance):** The monthly pension is 70% of the insured's average earnings (regular contributor) or 50% of the insured's average earnings (qualifying irregular contributor) in the five years before the claim is made.

The minimum monthly disability pension is 11,528.44 pesos (June 2019).

The maximum monthly disability pension is 84,459.47 pesos (June 2019).

Schedule of payments: The disability pension is paid monthly, with a 13th payment equal to the regular monthly payment paid in two halves (one in June and the other in December).

Benefit adjustment: Benefits are adjusted in March, June, September, and December based on changes in the consumer price index (weighted at 70%) and changes in the average national wage of formal-sector workers (weighted at 30%).

**Advanced-age disability pension (Prestación por Edad Avanzada por Invalidez, social insurance):** The pension is the sum of three components: a flat-rate basic 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.

**Basic pension:** 70% of 3,619.07 pesos a month is paid (March 2018).

**Compensatory pension:** The monthly 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.

**Additional pension:** The monthly 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-age disability pension is paid monthly, with a 13th payment equal to the regular

monthly payment paid in two halves (one in June and the other in December).

Benefit adjustment: Benefits are adjusted in March, June, September, and December based on changes in the consumer price index (weighted at 70%) and changes in the average national wage of formal-sector workers (weighted at 30%).

**Noncontributory disability pension (Pensión No Contributiva por Invalidez [PNC-Invalidez], social assistance, means tested):** 70% of the minimum monthly disability pension is paid.

The minimum monthly disability pension is 11,528.44 pesos (June 2019).

Additional benefits may be paid for dependents under Family Allowances.

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

### **Survivor Benefits**

**Survivor pension (Pensión por Fallecimiento Contributiva, social insurance)**

**Spouse's pension (Pensión de Cónyuge):** 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 (if the deceased was a pensioner) is paid to a widow(er) or partner with no or one dependent child; 90% with 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% if there are eligible orphans and for qualifying irregular contributors.

**Orphan's pension (Pensión por Hijo):** 20% of the reference payment (if the deceased was employed at the time of death) or the social insurance old-age or disability pension the deceased received (if the deceased was a pensioner) is paid to each eligible orphan. If there is no eligible widow(er) or partner, the spouse's pension is split equally among all eligible orphans.

The spouse's and orphan's pensions may be recalculated if the number of eligible survivors changes.

The minimum monthly survivor pension is 8,069.91 pesos (June 2019).

The maximum combined monthly survivor pension is 84,459.47 pesos (June 2019).

Schedule of payments: Survivor pensions are paid monthly, with a 13th payment equal to the regular monthly payment paid in two halves (one in June and the other in December).

Benefit adjustment: Benefits are adjusted in March, June, September, and December based on changes in the consumer price index (weighted at 70%) and changes in the

## Argentina

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average national wage of formal-sector workers (weighted at 30%).

**Noncontributory survivor pension (Pensión por Fallecimiento No Contributiva, social assistance):** A monthly pension is split between eligible survivors.

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

### Administrative Organization

Ministry of Health and Social Development (<https://www.argentina.gov.ar/desarrollosocial/>) provides general supervision.

Secretary of Social Security (<https://www.argentina.gov.ar/desarrollosocial/seguridadesocial>), under the Ministry of Health and Social Development, is responsible for policy development, implementation, and evaluation.

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

National Agency for Disability (<https://www.argentina.gov.ar/andis>) is responsible for disability policies and administers the disability pensions.

Federal Administration of Public Revenue (<http://www.afip.gov.ar/>) collects contributions and administers the social insurance program for small contributors.

### Sickness and Maternity

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#### Regulatory Framework

**First laws:** 1934 (maternity), 1944 (health services), and 1974 (sickness).

**Current laws:** 1971 (social services for retirees); 1974 (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; 2011 (prepaid medicine), and 2016 (universal health care).

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

Note: Additional maternity benefits are paid under Family Allowances.

#### Coverage

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

**Social insurance (cash maternity benefit):** Private-sector and federal public-sector employees, temporary or seasonal workers, and work injury beneficiaries.

Exclusions: Self-employed persons.

Special system for household workers.

**Social insurance (medical benefits):** Employed persons, self-employed persons (small contributors enrolled in the Monotributo or Monotributo Social program), trainees, persons receiving unemployment benefits and their dependents, 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.

Exclusions: Self-employed persons who are not enrolled in the Monotributo or Monotributo Social program.

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 benefit):** Public- and private-sector employees.

Exclusions: Self-employed persons.

#### Source of Funds

##### Insured person

*Universal (medical benefits):* None.

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

*Social insurance (medical benefits):* 3% of gross monthly covered earnings plus 3% of gross monthly covered earnings (allocated to the program covering retirees and pensioners [Instituto Nacional de Servicios Sociales para Jubilados y Pensionados, INSSJyP]). Pensioners contribute 3% of the old-age pension up to the minimum monthly old-age pension (basic 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 4,009.94 pesos (June 2019).

The maximum monthly earnings used to calculate contributions are 130,321 pesos (June 2019).

The minimum monthly old-age pension (basic pension, compensatory pension, and additional pension) is 11,528.44 pesos (June 2019).

*Employer liability (cash sickness benefit):* None.

##### Self-employed person

*Universal (medical benefits):* None.

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

*Social insurance (medical benefits):* 5% of reference earnings based on five income categories for most categories of self-employed persons (allocated to the program covering pensioners and retirees [Instituto Nacional de Servicios Sociales para Jubilados y Pensionados, INSSJyP]). Small contributors enrolled in the Monotributo program pay a flat-rate contribution of 689 pesos a month plus 689 pesos

a month for each additional family member. Small contributors with annual earnings below 138,127.99 who are enrolled in the Monotributo Social program pay a flat-rate contribution of 344.50 pesos a month plus 344.50 pesos a month for each additional family member.

*Employer liability (cash sickness benefit):* Not applicable.

### Employer

*Universal (medical benefits):* None.

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

*Social insurance (medical benefits):* 6% of gross monthly covered earnings. Private-sector employers pay an additional 1.58% or 1.59% of gross monthly covered earnings, depending on the economic sector, and the government pays an additional 2% of gross monthly covered earnings for federal public-sector employees (allocated to the program covering pensioners and retirees [Instituto Nacional de Servicios Sociales para Jubilados y Pensionados, INSSJyP])

The minimum monthly earnings used to calculate contributions are 4,009.94 pesos (June 2019).

There are no maximum earnings used to calculate contributions.

*Employer liability (cash sickness benefit):* The total cost.

### Government

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

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

*Social insurance (medical benefits):* Pays 344.50 pesos a month for each small contributor enrolled in the Monotributo Social program; contributes as an employer.

*Employer liability (cash sickness benefit):* None; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit (Prestación por Enfermedad, employer liability):** Must be currently employed.

**Cash maternity benefit (Asignación Familiar por Maternidad, 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 (Cobertura Universal de Salud [CUS], universal):** There is no minimum qualifying period.

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

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).

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 (Prestación por Enfermedad, employer liability):** 100% of the employee's last 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 the sickness benefit is doubled for employees with dependents.

**Maternity benefit (Asignación Familiar por Maternidad, social insurance):** 100% of the insured's average gross earnings in the last three months 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 pregnancy or if the child is stillborn.

### Workers' Medical Benefits

**Medical benefits (Cobertura Universal de Salud [CUS], universal):** Medical care is provided free of charge in public hospitals and primary health care institutions.

**Medical benefits (social insurance):** 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 Social Development. 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 younger than 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 younger than age 1; during hospitalization; or for the treatment of tumors.

### Dependents' Medical Benefits

**Medical benefits (Cobertura Universal de Salud [CUS], universal):** Dependents are covered in their own right.

**Medical benefits (social insurance):** Benefits for dependents are the same as those for the insured.

## Administrative Organization

Ministry of Health and Social Development (<https://www.argentina.gob.ar/desarrollosocial/>) supervises medical benefits.

Superintendent of Health Services (<http://www.sssalud.gob.ar/>) supervises health insurance institutions.

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 (Instituto Nacional de Servicios Sociales para Jubilados y Pensionados, INSSJP) (<http://www.pami.org.ar/>) administers the medical benefits program for elderly people and their dependents.

National Social Security Administration (<http://www.anses.gob.ar/>) administers the cash maternity benefit.

Employers pay cash sickness benefits directly to their employees.

Federal Administration of Public Revenue (<http://www.afip.gob.ar/>) collects contributions and administers the social insurance program for small contributors.

## Work Injury

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### Regulatory Framework

**First law:** 1915 (work injury and occupational diseases).

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

**Type of program:** Employer-liability system through private carriers.

Note: Public- and private-sector employers 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 provides benefits directly to employees).

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

## Qualifying Conditions

**Cash 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

**Temporary disability benefit (Prestación por Incapacidad Temporal):** 100% of the employee's last monthly earnings before the disability began is paid, plus any additional pay increases provided to workers in an equivalent position while the employee is not working. If employee's earnings were variable, the benefit is 100% of the employee's average monthly earnings in the six months before the disability began and must be at least equal to the employee's expected earnings had the disability 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 (Prestación por Incapacidad Permanente Total):** For a total disability (at least a 66% assessed loss of work capacity), a lump sum of 53 times the employee's monthly base earnings multiplied by the quotient of 65 divided by the employee's age when the disability began is paid.

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

The minimum permanent disability benefit for a total disability is 2,482,061 pesos (September 2019).

Additional lump-sum cash benefit (Compensación adicional de pago único): The benefit consists of the basic benefit plus 20% 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 1,378,923 pesos (September 2019).

Constant-attendance allowance (Gran Invalidez): If the employee has a severe, permanent, total disability and requires the constant attendance of others to perform daily functions, a monthly allowance of 34,011.88 pesos is paid (December 2019).

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



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

The minimum partial disability benefit is 2,482,061 pesos (September 2019) multiplied by the assessed loss of work capacity.

Additional lump-sum cash benefit (Compensación adicional de pago único): For an assessed loss of work capacity of at least 50% but less than 66%, the benefit consists of the basic benefit plus 20% 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 1,103,138 pesos (September 2019). 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 loss of work capacity.

A disability pensioner may also receive family allowances.

Benefit adjustment: Benefits are adjusted in March, June, September, and December based on changes in the consumer price index (weighted at 70%) and changes in the average national wage of formal-sector workers (weighted at 30%).

### **Workers' Medical Benefits**

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

### **Survivor Benefits**

**Spouse and orphan's benefit:** A lump sum of at least 2,482,061 pesos plus an additional lump-sum benefit of 1,654,707 is paid (September 2019).

The total lump sum is split equally among eligible survivors, including the spouse and orphans younger than age 21 (age 25 if a student; no age limit if disabled).

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

The survivor benefits are payable abroad under bilateral or multilateral agreement.

Benefit adjustment: Benefits are adjusted in March, June, September, and December based on changes in the consumer price index (weighted at 70%) and changes in the average national wage of formal-sector workers (weighted at 30%).

### **Administrative Organization**

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

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

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

## **Unemployment**

### **Regulatory Framework**

**First law:** 1967 (unemployment fund).

**Current laws:** 1991 (unemployment insurance), implemented in 1992; 1999 (rural 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, and rural workers.

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

### **Source of Funds**

**Insured person:** None.

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

**Employer:** 0.92% or 1.09% of gross payroll, depending on the type of enterprise; 1.35% monthly earnings for rural workers.

The minimum monthly earnings used to calculate contributions are 4,009.94 pesos (June 2019).

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 began; at least 90 days in the 12 months before unemployment began for temporary workers; or at least 240 days in the last 24 months before unemployment began for construction workers. 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 began or 100% of the rural worker's previous wage is paid for two months (with six to 11 months of contributions) or for four months (with 12 to 23 months of contributions); 42.5% of the insured's best wage in the six months before unemployment began or 85% of the rural worker's previous wage is paid for months five to eight with



24 to 35 months of contributions; and 37.5% of the insured's best wage in the six months before unemployment began or 70% of the rural worker's previous wage is paid for months nine to 12 (for months nine to 18 in the case of an unemployed person aged 45 or older with children who are eligible for family allowances) with at least 36 months of contributions.

The minimum monthly unemployment benefit for salaried employees and construction workers is 2,907.53 pesos; 3,728 pesos for rural workers (June 2019).

The maximum monthly unemployment benefit for salaried employees and construction workers is 4,652.06 pesos; 7,456.00 pesos for rural workers (June 2019).

An unemployed person who intends to set up a business and successfully presents a business plan to the Ministry of Production and Labor may opt for lump-sum payment.

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 Production and Labor (<https://www.argentina.gob.ar/trabajo/>) provides general supervision.

National Social Security Administration (<http://www.anses.gob.ar/>) administers the social insurance program for private-sector employees.

National Registry of Agricultural Workers and Employers (<http://www.renatre.org.ar/>) administers unemployment insurance for rural workers.

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

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

### Family Allowances

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#### Regulatory Framework

**First law:** 1957 (family benefits for employees in commerce).

**Current law:** 1996 (family allowances), implemented in 1996.

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

Note: A portion of the social insurance contributions paid to the National Social Security Administration (ANSES) finances the social assistance family benefits. However, there is no direct link between the contributions and entitlement to these benefits.

### Coverage

**Social insurance:** Private-sector and federal public-sector employees; temporary workers; work injury or unemployment program beneficiaries; social insurance old-age, disability, or survivor pension recipients; social assistance old-age or disability pension recipients (including child benefit, disabled child benefit, prenatal allowance, and school allowances only); and self-employed small contributors enrolled in the Monotributo or Monotributo Social program (child benefit, disabled child benefit, prenatal allowance, and school allowances only).

Exclusions: Self-employed persons who are not enrolled in the Monotributo or Monotributo Social program.

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; for self-employed enrolled in the simplified system for small contributors, see source of funds under Old Age, Disability, and Survivors.

*Social assistance:* None.

#### Employer

*Social insurance:* 4.57% or 5.48% of gross payroll, depending on the type of enterprise.

The minimum monthly earnings used to calculate contributions are 4,009.94 pesos (June 2019).

There are no maximum earnings used to calculate contributions.

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

*Social assistance:* None.

#### Government

*Social insurance:* None; makes an annual transfer to the National Social Security Administration (ANSES) to cover the cost of family benefits for federal public-sector employees.

*Social assistance:* The total cost.

### Qualifying Conditions

**Child benefit (Asignación por Hijo, social insurance, income tested):** Paid for unmarried children younger than age 18.

The child benefit is paid to a parent or guardian.

Income test: The monthly income of each family member must not exceed 53,829 pesos; the total monthly family income must not exceed 107,658 pesos.

**Disabled child benefit (Asignación por Hijo con Discapacidad, social insurance):** Paid for children with disabilities of any age. Unemployed temporary workers or temporary workers without any income must have at least three months of contributions in the last 12 months, or at least the equivalent of 90 effective working days.

The disabled child benefit is paid to a parent or guardian.

**Prenatal allowance (Asignación por Prenatal, social insurance, income tested):** Paid to a pregnant, employed woman or for the pregnant wife or cohabiting partner of an employed man with at least three months of continuous employment or a man who is a work injury or unemployment beneficiary.

Income test: The monthly income of each family member must not exceed 53,829 pesos; the total monthly family income must not exceed 107,658 pesos.

**School allowance (Ayuda Escolar Anual, 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 53,829 pesos; the total monthly family income must not exceed 107,658 pesos.

**Birth grant (Asignación por Nacimiento, social insurance, income tested):** Must be employed and have at least six months of continuous employment, or be a work injury or unemployment beneficiary. The grant is paid to a parent or guardian for the birth of a child.

Income test: The monthly income of each family member must not exceed 53,829 pesos; the total monthly family income must not exceed 107,658 pesos.

**Adoption grant (Asignación por Adopción, social insurance, income tested):** Must be employed and have at least six months of continuous employment, or be a work injury or unemployment beneficiary. The grant is paid to an adopting parent.

Income test: The monthly income of each family member must not exceed 53,829 pesos; the total monthly family income must not exceed 107,658 pesos.

**Marriage grant (Asignación por Matrimonio, social insurance, income tested):** Must be employed and have at least six months of continuous employment, or be a work injury or unemployment beneficiary. The grant is paid upon marriage to each spouse who meets the qualifying conditions.

Income test: The monthly income of each family member must not exceed 53,829 pesos; the total monthly family income must not exceed 107,658 pesos.

**Spouse's or partner's grant (Asignación por Cónyuge o Conviviente, 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 53,829 pesos; the total monthly family income must not exceed 107,658 pesos.

**Universal child allowance (Asignación Universal por Hijo [AUH], social assistance, income tested):** Paid to informal workers with monthly incomes below the legal monthly minimum wage, unemployed persons who are not receiving unemployment benefits, seasonal workers, household workers, and small contributors with annual earnings below 138,127.99 pesos who are enrolled in the Monotributo Social program. The allowance is paid to either a parent, tutor, curator, or relative up to the third degree for children 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 any other benefit. Resident foreign citizens must have at least three years of residence in Argentina immediately before the claim is made.

The legal monthly minimum wage is 12,500 pesos.

**Universal pregnancy allowance (Asignación Universal por Embarazo [AUE], social assistance, income tested):** Paid for each pregnancy to informal workers with monthly incomes below the legal monthly minimum wage; unemployed persons without health insurance coverage and whose spouse or cohabiting partner is also unemployed; seasonal workers; incarcerated women; 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 certain medical requirements, and carry a card that documents the monitoring of the pregnancy. Resident foreign citizens must have at least three years of residence in Argentina immediately before the claim is made.

The legal monthly minimum wage is 12,500 pesos.

**Noncontributory mother's pension (Pensión No Contributiva para Madre de 7 Hijos, 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 in Argentina immediately before claiming the pension; resident foreign citizens must have at least 15 years of residence.

### Family Allowance Benefits

**Child benefit (Asignación por Hijo, social insurance, income tested):** 469 pesos to 4,853 pesos a month is paid, depending on insured's income (including cash benefits in some cases) and region.

**Disabled child benefit (Asignación por Hijo con Discapacidad, social insurance):** 3,271 pesos to 14,648 pesos (increasing to 3,671 pesos to 16,438 in September 2019) a month is paid, depending on the insured's income (including cash benefits in some cases) and region.

**Prenatal allowance (Asignación por Prenatal, social insurance, income tested):** 469 pesos to 4,853 pesos (increasing to 3,671 pesos to 16,438 in September 2019) a month is paid, depending on the insured's income (including cash benefits in some cases) and region. The benefit is paid from the time of conception to the expected date of childbirth or the end of the pregnancy.

**School allowance (Ayuda Escolar Anual, social insurance, income tested):** 1,884 pesos to 3,761 pesos (increasing to 2,115 pesos to 4,221 pesos in September 2019) a year is paid, depending on the insured's income (including cash benefits in some cases) and region.

**Birth grant (Asignación por Nacimiento, social insurance, income tested):** A lump sum of 2,622 pesos (increasing to 2,943 pesos in September 2019) is paid.

**Adoption grant (Asignación por Adopción, social insurance, income tested):** A lump sum of 15,696 pesos (increasing to 17,615 in September 2019) is paid.

**Marriage grant (Asignación por Matrimonio, social insurance, income tested):** A lump sum of 3,927 pesos (increasing to 4,407 pesos in September 2019) is paid.

**Spouse's or partner's grant (Asignación por Cónyuge o Conviviente, social insurance, income tested):** 543 pesos or 1,080 pesos (increasing to 610 or 1,212 pesos in September 2019) a month is paid, depending on the

insured's income (including cash benefits in some cases) and region.

**Universal child allowance (Asignación Universal por Hijo [AUH], social assistance, income tested):** 2,652 or 3,448 pesos a month, depending on the region, is paid for each eligible child; 4,064 or 5,284 pesos a month for a child with a disability.

**Universal pregnancy allowance (Asignación Universal por Embarazo [AUE], social assistance, income tested):** 2,652 or 3,448 pesos a month, depending on the region, is paid from the third month of pregnancy until childbirth.

**Noncontributory mother's pension (Pensión No Contributiva para Madre de 7 Hijos, social assistance, means tested):** 11,528.44 pesos (increasing to 12,937.22 pesos in September 2019) a month is paid.

### **Administrative Organization**

Ministry of Health and Social Development (<http://www.trabajo.gov.ar/>) provides general supervision.

Secretary of Social Security (<https://www.argentina.gob.ar/desarrollosocial/seguridadesocial>), under the Ministry of Health and Social Development, is responsible for policy development, implementation, and evaluation.

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

Federal Administration of Public Revenue (<http://www.afip.gov.ar/>) collects contributions and administers the social insurance program for small contributors.

## Aruba

Exchange rate: US\$1.00 = 1.79 florin.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1960 (old-age pension) and 1965 (survivors pension).

**Current laws:** 1990 (old-age insurance), 1996 (widows and orphans insurance), and 2012 (mandatory occupational pensions).

**Type of program:** Social insurance and mandatory occupational pension system.

#### Coverage

**Social insurance:** Residents of Aruba.

**Mandatory occupational pension:** Private-sector employees who have completed an employment probation period.

Voluntary coverage for self-employed persons.

Special system for public-sector employees.

#### Source of Funds

##### Insured person

**Social insurance:** 5% of gross monthly covered earnings (old-age) plus 0.5% of gross monthly covered earnings (survivors); none for persons who have reached the normal retirement age (old-age and survivor pensions); low-income persons with annual incomes up to 13,400 florins pay a reduced rate.

The minimum annual earnings used to calculate contributions are 6,400 florin.

The maximum annual earnings used to calculate contributions are 85,000 florin.

**Mandatory occupational pension:** At least 3% of gross monthly earnings. Additional voluntary contributions are possible.

##### Self-employed person

**Social insurance:** 14.5% of gross monthly covered earnings (old-age) plus 1% of gross monthly covered earnings (survivors); low-income persons with annual incomes up to 13,400 florins pay a reduced rate.

The minimum annual earnings used to calculate contributions are 6,400 florin.

The maximum annual earnings used to calculate contributions are 85,000 florin.

**Mandatory occupational pension:** At least 6% of monthly declared earnings.

#### Employer

**Social insurance:** 10.5% of gross monthly covered payroll (old-age) plus 0.5% of gross monthly covered earnings (survivors); none for persons who have reached the normal retirement age (old-age and survivor pensions).

The minimum annual earnings used to calculate contributions are 6,400 florin.

The maximum annual earnings used to calculate contributions are 85,000 florin.

**Mandatory occupational pension:** At least 3% of gross monthly earnings. Additional voluntary contributions are possible.

#### Government

**Social insurance:** Finances any deficit; contributes as an employer.

**Mandatory occupational pension:** None.

#### Qualifying Conditions

**Old-age pension (Algemene Ouderdomsverzekering [AOV], social insurance):** Age 62 and six months (gradually rising to age 65 by 2024) and a resident of Aruba from age 15 to age 62 and six months (gradually rising to age 65 by 2024).

**Partial pension:** A reduced pension is paid if the insured does not meet the residency requirements for a full pension.

**Deferred pension:** The pension may be deferred for up to five years after the normal retirement age.

**Christmas bonus (Kerstbonus):** Paid to old-age pensioners.

The old-age pension is payable abroad.

**Old-age benefit (mandatory occupational pension):** Age 62 and six months (gradually rising to age 65 by 2025).

**Early benefit:** Age 60.

**Deferred benefit:** The benefit may be deferred until age 70.

Employment may continue.

**Survivor pension (Algemene Wezen- en Weduwen-verzekering [AWW], social insurance):** The deceased was insured or receiving an old-age pension at the time of death.

Eligible survivors include a widow(er) younger than the normal retirement age and orphans up to age 14 (age 25 if a full-time student, no limit if disabled). **Holiday allowance:** Paid to a person receiving a survivor pension.

**Funeral grant (Algemene Ouderdomsverzekering [AOV], social insurance):** Paid when an old-age pensioner dies.

Eligible survivors include a widow(er), an orphan, or the person who paid for the funeral.



**Funeral grant (Algemene Wezen- en Weduwen-verzekering [AWW], social insurance):** Paid to the person who paid for the funeral when a survivor pensioner dies. The grant must be claimed within 30 days of the death.

### Old-Age Benefits

**Old-age pension (Algemene Ouderdomsverzekering [AOV], social insurance):** The full pension is paid with 47 years and six months of residency in Aruba. 1,132 florin (if not living with anyone other than a child or parent) or 953 florin (if living with another adult other than a child or parent) a month is paid.

Partial pension: The pension is reduced by 2.14% for each year of residency less than 47 years and six months.

Deferred pension: The pension is increased by 7% for each year of deferral after the normal retirement age.

Christmas bonus (Kerstbonus): 75% of one month of the pension is paid once a year in December.

Benefit adjustment: Benefits are adjusted on an ad hoc basis depending on available resources.

**Old-age benefit (mandatory occupational pension):** The account balance can be paid as a lump sum or an annuity.

Early benefit: A reduced benefit is paid.

Deferred benefit: Calculated in the same way as the old-age benefit.

### Permanent Disability Benefits

No statutory benefits are provided.

### Survivor Benefits

**Survivor pension (Algemene Wezen- en Weduwen-verzekering [AWW], social insurance)**

*Spouse's pension:* The benefit amount varies depending on the survivor's age when widowed: 512 florin a month is paid if younger than age 40; 687 florin a month if aged 40 to 48; 868 florin a month if aged 49 to 60 and six months; or 1,132 florin a month if older than age 60 and six months, disabled, or raising a child.

The spouse's pension ceases upon remarriage.

The spouse's pension ceases at the normal retirement age and is replaced by an old-age pension.

*Orphan's pension:* 377 florin a month is paid to an orphan younger than age 10 (404 florin a month for a full orphan); 404 florin a month if aged 10 to 14 (443 florins a month for a full orphan); or 443 florin a month if aged 15 to 24 (512 florin a month for a full orphan).

Benefit adjustment: Benefits are adjusted on an ad hoc basis depending on available resources.

**Funeral grant (Algemene Ouderdomsverzekering [AOV], social insurance):** A lump sum of 3,396 florin is paid.

**Funeral grant (Algemene Wezen- en Weduwen-verzekering [AWW], social insurance):** A lump sum of three times the deceased's monthly survivor pension is paid.

### Administrative Organization

Ministry of Tourism, Public Health and Sports provides general supervision.

Social Insurance Bank (<https://www.svbaruba.org/>) administers the social insurance program.

Tax Department (<http://www.impuesto.aw/>) collects contributions for the social insurance program.

Registered pension funds, under government supervision, administer and collect contributions for the mandatory occupational pension program.

### Sickness and Maternity

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#### Regulatory Framework

**First law:** 1966 (sickness insurance).

**Current laws:** 1992 (general health insurance), implemented in 2001; and 1993 (sickness insurance).

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

#### Coverage

**Social insurance (cash benefits):** Private-sector employees with monthly earnings up to 5,850 florin.

Exclusions: Self-employed persons, directors and shareholders of corporations with monthly earnings above 5,850 florin, household workers, family labor, and seamen employed on Aruba ships.

Special system for public-sector employees.

**Social insurance (medical benefits):** Residents of Aruba.

#### Source of Funds

##### Insured person

*Social insurance (medical benefits):* 1.6% of gross monthly covered earnings; 6.5% to 10.5% of the pension for pensioners.

The maximum annual earnings used to calculate contributions for employed persons are 85,000 florin; 30,000 florin for pensioners.

*Social insurance (cash benefits):* None.

##### Self-employed person

*Social insurance (medical benefits):* 10.5% of gross monthly declared earnings.

*Social insurance (cash benefits):* Not applicable.



**Employer**

*Social insurance (medical benefits)*: 8.9% of gross monthly covered earnings.

The maximum annual earnings used to calculate contributions are 85,000 florin.

*Social insurance (cash benefits)*: 2.65% of gross monthly covered earnings.

The maximum annual earnings used to calculate contributions are 70,200 florin.

**Government**

*Social insurance (medical benefits)*: Provides subsidies as needed; additional financing from a 3% earmarked tax on general goods and services; contributes as an employer.

*Social insurance (cash benefits)*: None.

**Qualifying Conditions**

**Cash sickness benefit (Ziekengeld, Ziektefonds [ZV])**: Must provide a medical certificate.

**Cash maternity benefit (Zwangerschapsverlof, Ziektefonds [ZV])**: Must give at least three months written notice of intention to take leave on a specific date and to return to work thereafter. A medical certificate may also be required.

**Medical benefits (Algemene Ziektekosten Verzekering [AZV])**: There is no minimum qualifying period.

**Sickness and Maternity Benefits**

**Sickness benefit (Ziekengeld, Ziektefonds [ZV])**: 80% of the insured's daily earnings is paid after a three-day waiting period for up to two years.

**Maternity benefit (Zwangerschapsverlof, Ziektefonds [ZV])**: 100% of the insured's daily earnings is paid for 12 weeks, including at least four weeks before childbirth.

**Workers' Medical Benefits**

**Medical benefits (Algemene Ziektekosten Verzekering [AZV])**: Benefits include inpatient and outpatient services, emergency care, maternity care, dental care, medicines, and rehabilitation services.

**Dependents' Medical Benefits**

**Medical benefits (Algemene Ziektekosten Verzekering [AZV])**: Benefits for dependents are the same as those for the insured.

**Administrative Organization**

Ministry of Tourism, Public Health and Sports provides general supervision.

Social Insurance Bank (<https://www.svbaruba.org/>) collects and administers the cash benefits.

General Health Insurance (<http://www.azv.aw/>) administers the medical benefits.

Tax Department (<http://www.impuesto.aw/>) collects contributions for the social insurance programs.

Medical services are provided through hospitals, private clinics, and other medical facilities under contract by the General Health Insurance.

**Work Injury****Regulatory Framework**

**First and current laws**: 1996 (accident insurance) and 1996 (occupational diseases).

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

**Coverage**

Private-sector employees.

Exclusions: Self-employed persons, household workers, family labor, and seamen employed on Aruban ships.

Special system for public-sector employees.

**Source of Funds**

**Insured person**: None.

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

**Employer**: 0.25% to 2.5% of gross monthly covered payroll, depending on the assessed degree of risk.

The maximum annual earnings used to calculate contributions are 70,200 florin.

**Government**: None.

**Qualifying Conditions**

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work may be covered under certain conditions. Occupational diseases are specified by law. The claim must be made within the 12 months after the disability began.

**Temporary Disability Benefits**

**Temporary disability benefit (Ongevallenfonds [OV])**: 100% of the insured's average daily earnings in the 12 months before the disability began is paid for the first 12 months of incapacity; 80% thereafter. The benefit is paid from the day after the incapacity began until recovery or certification of permanent disability.

**Permanent Disability Benefits**

**Permanent disability pension (Ongevallenfonds [OV])**: For a total (100%) disability, the monthly pension is 80% of the insured's average daily earnings in the 12 months before the disability began.

## Aruba

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Partial disability: For an assessed degree of disability of at least 30% but less than 100%, a percentage of the full permanent disability pension is paid based on the assessed degree of disability; for an assessed degree of disability of less than 30%, a lump sum of six times the annual permanent disability pension is paid.

A medical board of the Social Insurance Bank assesses the degree of disability.

### Workers' Medical Benefits

Medical and rehabilitation services are provided.

### Survivor Benefits

#### Survivor pension

*Spouse's pension:* 30% of the deceased's average daily earnings in the 12 months before death is paid to a widow(er) or to a divorced spouse who was dependent on the deceased.

The spouse's pension ceases upon remarriage and a lump sum of two year of the pension is paid.

*Orphan's pension:* 15% of the deceased's average daily earnings in the 12 months before death is paid to each orphan up to age 14 (age 25 if a full-time student, no limit if disabled); 20% for a full orphan.

*Dependent parent's pension:* If there is no eligible widow(er) or orphan, up to 30% of the deceased's average daily earnings in the 12 months before death is paid to dependent parents.

The maximum combined daily survivor pension is 60% of the deceased's average daily earnings.

If the survivor receives benefits under the old-age, disability, and survivors program, the total work injury survivor benefit may be reduced based on the survivor's average monthly income.

**Funeral grant (social insurance):** A lump sum of 1,000 florin is paid to an eligible survivor or the person who paid for the funeral.

**Benefit adjustment:** The funeral grant is adjusted periodically based on changes in the consumer price index.

### Administrative Organization

Ministry of Tourism, Public Health and Sports provides general supervision.

Social Insurance Bank (<https://www.svbaruba.org/>) collects contributions and administers the program.

### Unemployment

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#### Regulatory Framework

**First laws:** 1973 (civil code) and 1983 (cesantia ordinance).

**Current law:** 1998 (Cesantia Ordinance).

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

### Coverage

Private-sector employees.

Exclusions: Public-sector employees and certain teachers.

### Source of Funds

**Insured person:** None.

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

**Employer:** The total cost; pays an annual flat-rate contribution of 40 florin to the Social Insurance Bank to finance the severance pay if the employer becomes bankrupt.

**Government:** None.

### Qualifying Conditions

Must have at least one year of covered employment and be involuntarily unemployed. The claim must be made within one year of ceasing employment.

**Income test:** An income test is applied to pensioners.

### Unemployment Benefits

One time the employee's last weekly salary is paid for each year of service from one to 10 years, plus 1.25 times the weekly salary for each year of service from 11 to 20 years, plus two times the weekly salary for each year of service exceeding 20 years.

The maximum weekly earnings used to calculate benefits are 2,025 florins (2018).

A reduced benefit is paid by the Social Insurance Bank if the employer becomes bankrupt or upon a court ruling.

### Administrative Organization

Ministry of Tourism, Public Health and Sports provides general supervision.

Employers pay benefits directly to employees.

Social Insurance Bank (<https://www.svbaruba.org/>) collects contributions.

### Family Allowances

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#### Regulatory Framework

**First and current laws:** 1988 (social assistance) and 1989 (social welfare ordinance).

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

### Coverage

Needy citizens of the Netherlands who were born in Aruba and certain foreign nationals residing in Aruba.

## Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

## Qualifying Conditions

**Cash assistance (means tested):** Paid to persons aged 17 or older who are registered as unemployed with the Department of Employment Promotion, persons with disabilities aged 17 to the normal retirement age who are unable to work, and certain other vulnerable persons. Must have been born in Aruba or be a citizen of the Netherlands and have continuously resided in Aruba for at least three years before the claim is made (the residency requirement may be waived if the beneficiary is younger than age 18).

**Dependent's allowance:** Paid for a dependent spouse and dependent children up to age 18.

**Christmas bonus:** Paid to a main beneficiary of cash assistance and his or her eligible dependents.

**Education allowance:** Paid to families with children aged 3 to 24 to assist with education costs.

**School supplies allowance:** Paid to cover the cost of school supplies.

**Dietary grant:** Paid to families receiving cash assistance to help with the cost of certain foodstuffs.

**Means test:** Family income and assets must not exceed certain limits.

**Funeral grant:** Paid to help with the cost of the funeral when a needy resident of Aruba dies. The benefit must be claimed within two months of the death.

## Family Allowance Benefits

**Cash assistance (means tested):** 450 florin (if unemployed or assessed as vulnerable) or 947 florin (if disabled) a month is paid.

**Dependent's allowance:** 200 florin a month is paid for each eligible dependent.

**Christmas bonus:** 450 florin (if unemployed or assessed as vulnerable) or 120 florin (if disabled) plus 200 florin for each eligible dependent is paid once a year in December.

**Education allowance:** 250 florin a month is paid for each eligible child.

**School supplies allowance:** 220 florin a year is paid for each eligible child.

The maximum annual school supplies allowance for a family is 800 florin.

**Dietary grant:** Up to 120 florin a month is paid to the head of a household.

**Funeral grant:** Up to 4,000 florin is paid. The benefit is normally paid directly to the funeral service provider.

## Administrative Organization

Department of Social Affairs (<https://www.asuntosocial.aw/>) administers the program.

## Bahamas

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

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1957 (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\$34,840.

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:** 8.8% of weekly or monthly covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$34,840.

The self-employed person's contributions also finance cash sickness and maternity benefits, and cash and in-kind work injury benefits.

##### Employer

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

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$34,840.

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 with at least 500 weeks of paid contributions.

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

The old-age pension 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.

The old-age grant is payable abroad.

**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.

The disability pension is payable abroad.

**Disability assistance (social assistance, income tested):** Must be younger than the normal retirement age, 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 an orphan 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 orphan at the time of death; dependent orphans 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.

The survivor pension is payable abroad.

**Survivor grant (social insurance):** The deceased had at least 150 weeks of paid contributions at the time of death. Eligible survivors include a widow(er) who was married to the deceased for at least a year and does not qualify for a survivor pension.

The survivor grant is payable abroad.

**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 orphans 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.

The funeral benefit is not payable abroad.

### 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 contributions. The pension is increased by 1% of the covered wage for every 50 weeks of paid or credited contributions exceeding 500 weeks.

Contributions may be credited for each complete contributory week the insured received the cash sickness or maternity benefits, unemployment benefits, or temporary work injury benefits. In addition, contributions may be credited for each complete contributory week the insured received permanent work injury benefits under certain conditions.

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 old-age pension is suspended if the insured's weekly income is B\$335 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\$68.66.

The maximum old-age pension is 60% of the insured's covered wage.

**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\$63.17 a week is paid.

### Permanent Disability Benefits

**Disability pension (social insurance):** 16% of the insured's covered wage plus 2% for every 50 weeks of paid or credited contributions exceeding 150 weeks, up to 500, and 1% for every 50 weeks of contributions exceeding 500.

Contributions may be credited for each complete contributory week the insured received the cash sickness or maternity benefits, unemployment benefits, or temporary work injury benefits. In addition, contributions may be credited for each complete contributory week the insured received permanent work injury benefits under certain conditions.

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\$34,840.

The minimum weekly disability pension is B\$74.16.

The maximum disability pension is 60% of the insured's covered wage.

**Disability assistance (social assistance, income tested):** B\$63.17 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\$74.16.

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 orphan, up to five orphans (if the widow(er) receives a spouse's pension) or 10 orphans (if the widow(er) does not receive a spouse's pension); B\$34.33 a week is paid for each full orphan.

The minimum weekly orphan's pension is B\$30.21.

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\$74.16.

There is no maximum survivor pension.

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 of one year of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid.



## Bahamas

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**Survivor assistance (social assistance, income tested):** B\$63.17 a week is paid to persons aged 18 or older; B\$25.26 a week to orphans younger than age 18 (B\$28.84 for a full orphan).

**Funeral benefit (social insurance):** A lump sum of up to B\$1,810 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 programs and collects contributions.

### Sickness and Maternity

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#### 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: The National Health Insurance Act creating a social insurance 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 pensioners, total disability pensioners, survivor pensioners aged 60 or older, citizens of the Bahamas 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:* None; contributes as an employer.

#### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have been employed on the day of or on the day before the incapacity began, have at least a total of 40 weeks of paid contributions, and have at least 26 weeks of paid or credited contributions in the year immediately before the incapacity began or in the last contribution year or at least 13 weeks of paid or credited contributions in the 26 weeks immediately before the incapacity began.

Contributions may be credited for each complete contributory week the insured received the cash sickness or maternity benefits, unemployment benefits, or temporary work injury benefits. In addition, contributions may be credited for each complete contributory week the insured received permanent work injury benefits under certain conditions.

**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 benefits.

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

Contributions may be credited for each complete contributory week the insured received the cash sickness or maternity benefits, unemployment benefits, or temporary work injury benefits. In addition, contributions may be credited for each complete contributory week the insured received permanent work injury benefits under certain conditions.

**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 at least one of 14 listed chronic diseases.

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

## 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 up to 14 weeks under certain conditions.

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

The minimum weekly sickness benefit is B\$74.16.

There is no maximum sickness benefit.

**Sickness allowance (social insurance, means tested):** B\$63.17 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 six weeks under certain conditions.

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

The minimum weekly maternity benefit is B\$74.16.

There is no maximum maternity benefit.

**Maternity grant (social insurance):** A lump sum of B\$490 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):** Medical care is available at public hospitals and clinics. The 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 (National Prescription Drug Plan, universal):** Benefits for dependents are the same as those for the insured.

**Medical benefits (social assistance):** 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 of and administers primary health care benefits.

National Insurance Board (<http://www.nib-bahamas.com/>) administers the universal National Prescription Drug Plan.

National Health Insurance Authority (<https://www.nhibahamas.gov.bs/>) is overseeing the implementation of the social insurance health care benefits.

Princess Margaret Hospital's Department of Social Services (<http://www.pmh.phabahamas.org/patients-support-services>) administers the social assistance medical benefits.

## Work Injury

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

**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 that results in an incapacity to work. There is no minimum qualifying period.

### Temporary Disability Benefits

66.6% of the insured's average weekly covered earnings in the last 26 weeks before the disability began is paid after a three-day waiting period for up to 40 weeks.

The minimum weekly temporary disability benefit is B\$74.16.

The maximum weekly temporary disability benefit is B\$446.67.

### **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 permanent disability pension for a total disability is B\$74.16.

The maximum weekly permanent disability pension for a total disability is B\$446.67.

The permanent disability pension is payable abroad.

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

**Partial disability:** For an assessed degree of disability of at least 25% but less than 100%, a reduced permanent disability pension is paid based on the assessed degree of disability. A lump sum of B\$500 is also paid for an assessed degree of disability of 25% to 66%; B\$1,000 for an assessed degree of disability of 67% to 100%.

The minimum weekly permanent disability pension for a partial disability is B\$63.17.

There is no maximum permanent disability pension for a partial disability.

**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 based on 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 exceeding 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\$74.16.

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

The minimum weekly orphan's pension is B\$30.21.

Survivor pensions are payable abroad.

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

The industrial death benefit is payable abroad.

**Industrial funeral benefit:** A lump sum of B\$1,810 is paid to the person who paid for the funeral.

The industrial funeral benefit is not payable abroad.

### **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.

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### **Unemployment**

#### **Regulatory Framework**

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

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

#### **Coverage**

Employed persons.

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:** Covers any deficit; contributes as an employer.

#### **Qualifying Conditions**

Must be younger than the normal retirement age, 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.

Contributions may be credited for each complete contributory week the insured received the cash sickness or maternity benefits, unemployment benefits, or temporary work injury benefits. In addition, contributions may be credited for each complete contributory week the insured received permanent work injury benefits under certain conditions.

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

The unemployment benefit is not payable abroad.

#### **Unemployment Benefits**

50% of the insured's average weekly covered earnings is paid after a three-day waiting period for up to 13 weeks

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(may be extended in certain circumstances) in any 52-week period.

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

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

The minimum weekly unemployment benefit is B\$74.16.

The maximum weekly unemployment benefit is B\$335.

Schedule of payments: The unemployment 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.

### ***Family Allowances***

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#### ***Regulatory Framework***

No known statutory benefits are provided.

The Ministry of Social Services and Urban Development provides ad hoc support and assistance to needy families, including cash transfers to cover the cost of food, rent, utilities, medical services, and travel.

## Barbados

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

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1969 (social assistance).

**Current laws:** 1966 (social insurance), 1969 (social assistance), 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, residing in Barbados.

Voluntary coverage is available.

Exclusions: Unpaid family labor.

**Social assistance:** Resident citizens of Barbados.

#### Source of Funds

##### Insured person

**Social insurance:** 6.75% of weekly 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\$1,112; the maximum monthly earnings are B\$4,820.

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

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

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

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\$1,112; the maximum monthly earnings are B\$4,820.

##### Self-employed person

**Social insurance:** 13.5% of monthly 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\$57,840.

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

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

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

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

The maximum annual earnings used to calculate contributions are B\$57,840.

##### Employer

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

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\$1,112; the maximum monthly earnings are B\$4,820.

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

**Social assistance:** 2% of weekly 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\$1,112; the maximum monthly earnings are B\$4,820.

##### Government

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

**Social assistance:** Any deficit.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 67 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 cash sickness, maternity, or work injury benefits, and during the three-day waiting period for a sickness benefit if the related claim period lasts at least two weeks.

Early pension: Age 60 with at least 500 weeks of paid or credited contributions, including at least 150 weeks of paid contributions, and no longer employed or self-employed.



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

The old-age pension is payable abroad.

**Old-age grant (social insurance):** Age 67 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 cash sickness, maternity, or work injury benefits, and during the three-day waiting period for a sickness benefit if the related claim period lasts at least two weeks.

The old-age grant is payable abroad.

**Noncontributory old-age pension (social assistance, income tested):** Age 67, a resident of Barbados for at least 12 years (citizens) or 15 years (permanent residents) since age 40 or a total of 20 years since age 18 (citizens or permanent residents), and does not qualify for the social insurance old-age pension or an old-age pension from a foreign government or international organization.

The noncontributory old-age pension is not payable abroad.

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

The disability pension is not payable abroad.

**Disability grant (social insurance):** Must be younger than the 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 cash sickness, maternity, or work injury benefits, and during the three-day waiting period for a sickness benefit if the related claim period lasts at least two weeks.

The disability grant is 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 not qualify for the social insurance disability pension or a disability pension from a foreign government or international organization.

Income test: Weekly earnings must not exceed B\$30.

The noncontributory disability pension is not payable abroad.

**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 orphans younger than 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.

The survivor pension is payable abroad.

**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.

The funeral grant is payable abroad.

## Old-Age Benefits

**Old-age pension (social insurance):** If the insured was aged 56 or older on December 31, 2002, the pension is 40% of the insured's average annual earnings plus 1% of the insured's total covered earnings in the contributory weeks after the first 500 weeks.

If the insured was younger than age 47 on December 31, 2002, the pension is 2% of the insured's average annual earnings for the first 20 years of contributions plus 1.25% of average annual earnings for each year of contributions exceeding 20 years.

If the insured was 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\$1,112; the maximum monthly earnings used to calculate benefits are B\$4,820.

The minimum weekly old-age pension is B\$239.

The maximum weekly old-age pension is 60% of the insured's average covered earnings, up to B\$658.14.

Early pension: A reduced pension is paid.

Deferred pension: An increased pension is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

**Old-age grant (social insurance):** A lump sum of six weeks of the insured's average annual earnings is paid for every 50 weeks 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, income tested):** B\$225 a week is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

## Permanent Disability Benefits

**Disability pension (social insurance):** 40% of the insured's average annual earnings plus 1% of the insured's total covered earnings in the contributory weeks after the first 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 on the insured's total covered earnings.

The maximum weekly earnings used to calculate benefits are B\$1,112; the maximum monthly earnings used to calculate benefits are B\$4,820.

The minimum weekly disability pension is B\$239.

The maximum weekly disability pension is 60% of the insured's average covered earnings, up to B\$658.14.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

**Disability grant (social insurance):** A lump sum of six weeks of the insured's average annual earnings for every 50 weeks 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 on the insured's total covered earnings.

**Noncontributory disability pension (social assistance, income tested):** B\$225 a week is paid.

Benefit adjustment: Benefits are adjusted annually based on 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 (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 50% of the maximum weekly old-age or disability pension.

The maximum weekly old-age or disability pension is B\$658.14.

*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 orphan younger than age 16 (age 25 if a student); 33.3% if a full orphan or disabled.

The maximum weekly orphan's pension is 33.3% of the maximum weekly old-age or disability pension.

The maximum weekly old-age or disability pension is B\$658.14.

The maximum combined survivor pension is 100% of the social insurance 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\$2,150 is paid to the person who pays for the funeral.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

## Administrative Organization

Ministry of Finance, Economic Affairs and Investment (<https://www.gov.bb/Ministries/finance-economic-affairs/>) is responsible for policy.

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

## Sickness and Maternity

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### Regulatory Framework

**First and current laws:** 1966 (social insurance); 1969 (medical care); and 1980 (medicine), implemented in 1983.

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

### Coverage

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

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

Exclusions: Unpaid family labor.

### Source of Funds

#### Insured person

*Universal (medical benefits):* 1% of weekly covered earnings.

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\$1,112; the maximum monthly earnings are B\$4,820.

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

#### Self-employed person

*Universal (medical benefits):* 1% of monthly covered earnings.

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

The maximum annual earnings used to calculate contributions are B\$57,840.

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

### Employer

*Universal (medical benefits):* 1.5% of weekly covered earnings.

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\$1,112; the maximum monthly earnings are B\$4,820.

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

### Government

*Universal (medical benefits):* Provides subsidies as needed.

*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 cash sickness, maternity, or work injury benefits, and during the three-day waiting period for a sickness benefit if the related claim period lasts at least two weeks.

The cash sickness benefit is payable abroad only in cases where the insured has left temporarily to receive medical treatment.

**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 cash sickness, maternity, or work injury benefits, and during the three-day waiting period for

a sickness benefit if the related claim period lasts at least two weeks.

The cash maternity benefit is payable abroad only in cases where the insured has left temporarily to receive medical treatment.

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

The cash maternity grant is 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 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\$741.33.

**Maternity benefit:** 100% of the insured's average weekly 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\$1,112.

Benefit adjustment: Benefits are adjusted annually based on actuarial recommendations.

**Maternity grant:** A lump sum of B\$1,240 is paid.

Benefit adjustment: Benefits may be adjusted annually based on the three-year average change in the consumer price index or average national wages, whichever is lower, depending on the financial health of the system.

### 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**

Benefits for dependents are the same as those for workers.

### **Administrative Organization**

Ministry of Finance, Economic Affairs and Investment (<https://www.gov.bb/Ministries/finance-economic-affairs/>) is responsible for policy for the social insurance program.

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

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

### **Work Injury**

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#### **Regulatory Framework**

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

**Current law:** 1966 (social insurance), implemented in 1971.

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

#### **Coverage**

Public- and private-sector employees, including some categories of fishermen, residing in Barbados.

Voluntary coverage is not available.

Exclusions: Self-employed persons and unpaid family labor.

#### **Source of Funds**

**Insured person:** None.

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

**Employer:** 0.75% of weekly 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\$1,112; the maximum monthly earnings are B\$4,820.

**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 disability began; the average weekly earnings of workers in similar employment may be used under certain conditions.

The maximum weekly temporary disability benefit is 90% of the maximum weekly earnings used to calculate contributions.

The maximum weekly earnings used to calculate contributions are B\$1,112.

Benefit adjustment: Benefits are adjusted annually based on actuarial recommendations.

#### **Permanent Disability Benefits**

**Permanent disability pension:** For a total (100%) permanent disability, 90% of the insured's average weekly earnings is paid. The insured must have exhausted entitlement to the temporary disability benefit.

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

The maximum weekly permanent disability pension is 90% of the maximum weekly earnings used to calculate contributions.

The maximum weekly earnings used to calculate contributions are B\$1,112.

Partial disability: For an assessed degree of disability of at least 30% but less than 100%, a percentage of the full permanent disability pension is paid based on the assessed degree of disability; a lump sum is paid if the assessed degree of disability is less than 30%. The insured must have exhausted entitlement to the temporary disability benefit.

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

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

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

Benefit adjustment: Benefits are adjusted annually based on actuarial recommendations.

#### **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.

The spouse's pension ceases upon remarriage or cohabitation.

Remarriage settlement: A lump sum of one year of the spouse's pension is paid upon remarriage or cohabitation.

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

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

The survivor pension is payable abroad under bilateral or multilateral agreements.

**Funeral grant:** A lump sum of B\$2,150 is paid to the person who pays for the insured's funeral.

The funeral grant is payable abroad under some bilateral agreements.

Benefit adjustment: Benefits are adjusted annually based on actuarial recommendations.

### Administrative Organization

Ministry of Finance, Economic Affairs and Investment (<https://www.gov.bb/Ministries/finance-economic-affairs/>) is responsible for policy.

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

## Unemployment

### Regulatory Framework

**First and current law:** 1981 (social insurance).

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

### Coverage

Employed persons, including temporary public-sector employees residing in Barbados.

Voluntary coverage is not available.

Exclusions: Self-employed persons, family labor, and permanent public-sector employees.

### Source of Funds

**Insured person:** 0.75% of weekly 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\$1,112; the maximum monthly earnings are B\$4,820.

**Self-employed person:** Not applicable. The self-employed pay 0.5% of monthly declared income for the training levy.

**Employer:** 1% of weekly covered payroll plus 0.5% for the training levy. Private-sector employers pay an additional 0.75% 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\$1,112; the maximum monthly earnings are B\$4,820.

**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 cash sickness, maternity, or work injury benefits, and during the three-day waiting period for a sickness benefit if the related claim period lasts 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\$667.20.

### Administrative Organization

Ministry of Finance, Economic Affairs and Investment (<https://www.gov.bb/Ministries/finance-economic-affairs/>) is responsible for policy.

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



## **Family Allowances**

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### **Regulatory Framework**

**Current law:** 1969 (national assistance).

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

### **Coverage**

Needy resident citizens 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 unable to work due to a disability, or have no resources and be unable to find work.

## **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, Economic Affairs and Investment (<https://www.gov.bb/Ministries/finance-economic-affairs/>) provides general supervision.

Ministry of People Empowerment and Elder Affairs (<https://www.gov.bb/Ministries/social-care/>) 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), with 2003 amendment (social assistance).

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

#### Coverage

**Social insurance:** Employed persons, including certain public-sector employees, and self-employed persons aged 19 to 60.

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.

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.

Special complementary systems for most civil servants, teachers, and certain other public-sector employees.

**Social assistance:** Needy resident citizens of Belize, and permanent residents of Belize who were receiving the old-age social pension before January 12, 2019.

#### Source of Funds

##### Insured person

**Social insurance:** Weekly contributions vary based on 11 wage classes:

- B\$0.88 if weekly earnings are less than B\$70,
- B\$1.43 if B\$70 to B\$109.99,
- B\$2.07 if B\$110 to B\$139.99,
- B\$3.35 if B\$140 to B\$179.99,
- B\$5.05 if B\$180 to B\$219.99,
- B\$6.75 if B\$220 to B\$259.99,
- B\$8.45 if B\$260 to B\$299.99,
- B\$10.15 if B\$300 to B\$339.99
- B\$11.89 if B\$340 to B\$379.99,
- B\$13.73 if B\$380 to B\$419.99, or
- B\$15.68 if B\$420 or greater.

The maximum weekly earnings used to calculate contributions are B\$420 (increasing to B\$480 on January 6, 2020 and to B\$520 on January 4, 2021).

The total contribution rate (employee and employer) is 8.5% (increasing to 9% on January 6, 2020 and to 10% on January 4, 2021).

The insured person's contributions also finance cash sickness and maternity benefits, and work injury benefits.

Contributions are paid monthly.

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.

Old-age pensioners aged 60 to 64 who resume employment and employees aged 65 or older do not pay any contributions.

**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 cash sickness and maternity benefits, and work injury benefits.

**Social assistance:** None.

##### Employer

**Social insurance:** Weekly contributions vary based on 11 wage classes:

- B\$3.80 if weekly earnings are less than B\$70,
- B\$6.22 if B\$70 to B\$109.99,
- B\$8.98 if B\$110 to B\$139.99,
- B\$10.25 if B\$140 to B\$179.99,
- B\$11.95 if B\$180 to B\$219.99,
- B\$13.65 if B\$220 to B\$259.99,
- B\$15.35 if B\$260 to B\$299.99,
- B\$17.05 if B\$300 to B\$339.99
- B\$11.89 if B\$340 to B\$379.99,
- B\$13.73 if B\$380 to B\$419.99, or
- B\$15.68 if B\$420 or greater.

The maximum weekly earnings used to calculate contributions are B\$420 (increasing to B\$480 on January 6, 2020 and to B\$520 on January 4, 2021).

The total contribution rate (employee and employer) is 8.5% (increasing to 9% on January 6, 2020 and to 10% on January 4, 2021).

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

Employers pay a flat-rate weekly contribution of B\$2.60 for old-age pensioners aged 60 to 64 who resume employment and employees aged 65 or older. (The contribution finances work injury benefits only.)

Contributions are paid monthly.

*Social assistance:* None.

### Government

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

*Social assistance:* The total cost.

### Qualifying Conditions

**Old-age pension (Retirement 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, and temporary or permanent total (100%) disability work injury benefits.

Employment may continue.

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 (Retirement 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.

**Old-age social pension (Non Contributory Pension Program [NCP], social assistance, means tested):** Age 67 (men) or age 65 (women) and assessed as needy. Since January 2019, only one member of a family can receive the pension. (Beneficiaries who were receiving an old-age social pension before this date will continue to receive their benefits.)

**Disability pension (Invalidity Pension, social insurance):** Must be younger than age 60; be assessed with a permanent incapacity for work; and have at least 150 weeks of paid contributions since 1981, at least 250 weeks of paid or credited contributions in the five consecutive years before the year in which the disability began, or at least five weeks of paid or credited contributions in the 13 weeks immediately before the week in which the disability began.

Contributions are credited for each complete contributory week the insured received sickness, maternity, and temporary or permanent total (100%) disability work injury benefits.

A medical board assesses the degree of disability.

**Disability grant (Invalidity Grant, social insurance):**

Must be younger than age 60, be assessed with a disability that has lasted at least 26 consecutive weeks, and have at least 26 weeks of paid contributions but not meet the contribution requirements for the 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 aged 50 or older (at any age if assessed with a disability) or a disabled dependent widower who was married to the deceased for at least three years; a pregnant widow or widow caring for the deceased's child(ren); a partner who lived with the deceased for at least five consecutive years; orphans younger than age 18 (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 aged 50 or older (at any age if assessed with a disability) or a disabled dependent widower who was married to the insured for at least three years; a pregnant widow or a widow caring for the deceased's child(ren); a partner who lived with the deceased for at least five consecutive years; orphans 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 18 (age 21 if a full-time student).

### Old-Age Benefits

**Old-age pension (Retirement Pension, social insurance):** The pension is 30% of the insured's average weekly covered earnings plus 2% of average weekly covered earnings for every 50 weeks of contributions exceeding 500 weeks, up to 750 weeks, and 1% for every 50 weeks of contributions exceeding 750 weeks.

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 maximum weekly earnings used to calculate benefits are B\$440 (increasing to B\$480 on January 6, 2020, and to B\$520 on January 4, 2021).

The minimum weekly old-age pension is B\$47.

The maximum weekly old-age pension 60% of the insured's average weekly covered earnings.

Schedule of payments: The pension is paid every four weeks.

**Old-age grant (Retirement Grant, social insurance):** A lump sum of six times the insured's average weekly covered earnings or 2.5 times the insured's total covered earnings divided by the number of weeks of contributions, whichever is greater, is paid for every 50 weeks of paid or credited contributions.

Average weekly covered earnings are based on the insured's best three years of earnings.

The minimum old-age grant is B\$800.

**Old-age social pension (Non Contributory Pension Program [NCP], social assistance, means tested):** B\$100 a month is paid.

### Permanent Disability Benefits

**Disability pension (Invalidity Pension, social insurance):** With at least 500 weeks of contributions, 30% of the insured's average weekly covered earnings plus 2% of average weekly covered earnings for every 50 weeks of contributions exceeding 500 weeks, up to 750 weeks, and 1% for every 50 weeks of contributions exceeding 750 weeks is paid. With less than 500 weeks of contributions, 25% of the insured's average weekly earnings is paid.

Average weekly covered earnings are based on the insured's best three years of earnings.

The maximum weekly earnings used to calculate benefits are B\$440 (increasing to B\$480 on January 6, 2020, and to B\$520 on January 4, 2021).

The minimum weekly disability pension is B\$47.

The maximum weekly disability pension is 60% of the insured's average weekly covered earnings.

Schedule of payments: The pension is paid every four weeks.

**Disability grant (Invalidity Grant, social insurance):** A lump sum of six times the insured's average weekly covered earnings or 2.5 times the insured's total covered earnings divided by the number of weeks of contributions, whichever is greater, is paid for every 50 weeks of paid or credited contributions.

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 orphan; 40% to an orphan with a disability.

*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\$47 and is split among eligible survivors.

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

Schedule of payments: Survivor pensions are paid every four weeks.

**Survivor grant (social insurance):** A lump sum of six times the deceased's average weekly covered earnings or 2.5 times the deceased's total covered earnings divided by the number of weeks of contributions, whichever is greater, is paid for every 50 weeks of paid or credited contributions.

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

#### 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 certain public-sector employees and self-employed persons aged 19 to 60.

Exclusions: Casual workers, persons employed for less than eight hours a week, and military personnel.

Special system for most civil servants.

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

### **Qualifying Conditions**

**Cash sickness benefit:** Must be aged 14 to 64, be currently employed, and have at least 50 weeks of contributions, including at least five weeks of contributions in the 13 weeks before the incapacity began. Must provide a medical certificate.

**Cash maternity benefit (Maternity Allowance):** Must be aged 14 to 64; have at least 50 weeks of paid contributions; and have at least 25 weeks of paid or credited contributions in the 39 weeks before the seven weeks preceding the expected date of child birth or before the date the claim is made (whichever is later), including at least 20 weeks of paid contributions.

**Maternity grant:** Paid to an insured woman or to an insured man for his wife or common-law wife. The insured must be aged 14 to 64 and have at least 50 weeks of paid contributions, including at least 25 weeks in the 50 weeks before the expected date of childbirth. Only one grant is paid.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 80% 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 156 days; thereafter, 60% of average weekly covered earnings is paid for an additional 78 days. After 234 days, a disability pension may be paid at the discretion of a medical board.

The maximum weekly earnings used to calculate benefits are B\$440 (increasing to B\$480 on January 6, 2020, and to B\$520 on January 4, 2021).

The minimum weekly sickness benefit is B\$44.00 for the first 156 days, and B\$33 for the remaining 78 days.

Schedule of payments: The benefit is paid weekly.

**Maternity benefit (Maternity Allowance):** 80% of the insured's average weekly covered earnings in the 39 weeks before the start of the benefit 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 maximum weekly earnings used to calculate benefits are B\$440 (increasing to B\$480 on January 6, 2020, and to B\$520 on January 4, 2021).

The minimum weekly maternity benefit is B\$44.00.

**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**

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 and collects contributions.

Ministry of Health (<http://health.gov.bz/>) provides general supervision and delivers medical services through four administrative regions.

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### **Work Injury**

#### **Regulatory Framework**

**First and current law:** 1979 (social security).

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

#### **Coverage**

Public- and private-sector employees, including old-age pensioners who return to work, and self-employed persons aged 19 to 60.

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:** None; contributes as an employer.

#### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease. Occupational diseases are specified by law. There is



no minimum qualifying period. The accident must occur during the course of employment.

### Temporary Disability Benefits

**Temporary disability benefit (Employment Injury Benefit):** 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, 60% of average weekly covered earnings may be paid for up to an additional 91 days (Provisional Disablement Benefit).

The minimum weekly earnings used to calculate benefits are B\$55.

The maximum weekly earnings used to calculate benefits are B\$440 (increasing to B\$480 on January 6, 2020, and to B\$520 on January 4, 2021).

Schedule of payments: The temporary disability benefit is paid weekly.

### Permanent Disability Benefits

**Permanent disability pension (Disablement Pension):** For an assessed degree of disability of at least 25%, 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 permanent disability pension is B\$47.

Constant-attendance allowance: 25% of the permanent disability pension is paid if the insured is assessed with a total (100%) disability and requires the constant attendance of others to perform daily functions.

A medical board assesses and periodically reviews the degree of disability.

Schedule of payments: The pension is paid every four weeks.

**Disability grant (Disablement 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

The Social Security Board covers the cost of 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 aged 50 or older (at any age if assessed with a disability) or a disabled dependent widower who was married to the deceased for at least three years; a pregnant widow, or a widow caring for the deceased's children.

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 orphan up to age 18 (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 survivor pension is B\$47 and is split among the eligible survivors.

The maximum combined survivor pension is 60% of the deceased's average covered earnings in the four weeks before the date of the work injury resulting in the insured's death.

Schedule of payments: Survivor pensions are paid every four weeks.

**Funeral grant:** A lump sum of B\$1,500 is paid.

### 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

#### Regulatory Framework

No statutory unemployment benefits are provided.

The Labour Act, as amended in 2011, requires employers to provide severance pay to employees with at least 12 months of continuous service. With five to 10 years of service, severance is paid for termination of employment, retirement after age 60, or 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 payment 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 is paid 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.

Note: A 2019 amendment will extend the coverage of the mandatory occupational pension program to foreign nationals working in Bermuda.

#### Coverage

**Social insurance:** Employed and self-employed persons aged 18 or older working more than four hours a week, and temporary residents gainfully employed for more than 26 consecutive weeks.

Voluntary coverage for persons who previously had mandatory coverage.

Exclusions: Full-time students aged 26 or younger who work weekends or during school vacations.

**Mandatory occupational pension:** Private-sector employees aged 23 or older who have Bermudian status or are the spouses of persons of Bermudian status and have worked 720 hours or more for their current employers in any calendar year; self-employed persons aged 23 or older who have Bermudian status or are the spouses of persons of Bermudian status and have annual earnings greater than B\$20,000.

Special system for public-sector employees and employees of quasigovernmental organizations.

**Social assistance (old-age social pension):** Persons of Bermudian status.

**Social assistance (disability social pension):** Residents of Bermuda.

#### Source of Funds

##### Insured person

**Social insurance:** B\$35.92 a week; none if aged 65 or older.

**Mandatory occupational pension:** 5% of gross covered earnings (excluding overtime payments).

The maximum annual earnings used to calculate contributions are B\$200,000.

Contributions are paid at less once a month.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** B\$71.84 a week; B\$35.92 a week if aged 65 or older.

**Mandatory occupational pension:** 10% of covered declared earnings. Additional voluntary contributions are possible.

The maximum mandatory contribution on annual declared earnings is B\$5,000.

Contributions are paid at less once a month.

**Social assistance:** None.

##### Employer

**Social insurance:** B\$35.92 a week.

**Mandatory occupational pension:** 5% of covered payroll.

The maximum annual earnings used to calculate contributions are B\$200,000.

Contributions are paid at less once a month.

**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 (Contributory Pension Fund, social insurance):** Age 65 with at least 484 weeks of paid or credited contributions and an annual average of at least 50 weeks of paid or credited contributions across all years of contributions.

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.

Employment may continue.

Partial pension: Age 65 with at least 484 weeks of paid or credited contributions and an annual average of 25 to 49 weeks of paid or credited contributions across all years of contributions.

The social insurance old-age pension is payable abroad.

**Old-age settlement (Old Age Gratuity, Contributory Pension Fund, 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.

The old-age settlement is payable abroad.

**Old-age pension (National Pension Scheme, mandatory occupational pension):** Age 65.

The occupational old-age pension is payable abroad.

**Old-age social pension (Noncontributory Old-age Pension, social assistance, income tested):** Age 65, has at least 10 years of continuous residence in Bermuda in the 20 years immediately before the claim is made, and does not qualify for any social insurance old-age benefit.

**Disability pension (Disability Benefit, Contributory Pension Fund, social insurance):** Must be aged 18 to 64, assessed with a disability that has lasted at least 52 consecutive weeks, have been employed immediately before the disability began, have at least 150 weeks of paid contributions, and have an annual average of at least 50 weeks of paid or credited contributions across all years of contributions.

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 aged 18 to 64, assessed with a disability that has lasted at least 52 consecutive weeks, have been employed immediately before the disability began, have a medically certified incapacity to work, have at least 150 weeks of paid contributions, and have an average of 25 to 49 weeks of contributions across all years of contributions.

A registered medical practitioner assesses the disability.

The social insurance disability pension is payable abroad.

**Disability pension (National Pension Scheme, mandatory occupational pension):** Must be assessed with an incapacity for work due to a physical or mental condition.

The occupational disability pension is payable abroad.

**Disability social pension (Noncontributory Disability Benefit, social assistance, income tested):** Must be assessed with a permanent incapacity for work, have resided in Bermuda for at least 10 years immediately before the claim is made, and not qualify for any social insurance disability benefit.

A registered medical practitioner assesses the disability.

**Survivor pension (Widow's Allowance, Contributory Pension Fund, 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.

Eligible survivors include a widow(er) married to the deceased at the time of death.

Child's supplement: Paid for each dependent child younger than age 18 (age 26 if a full-time student).

The survivor pension ceases upon remarriage or cohabitation.

The survivor pension is payable abroad.

**Survivor settlement (Contributory Pension Fund, 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), dependent orphans younger than age 18 who are full-time students.

**Survivor benefit (National Pension Scheme, 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 (Contributory Pension Fund, social insurance):** B\$244.95 a week (B\$1,064.34 a month) plus B\$6.26 a week for every 26 weeks of contributions exceeding 484 weeks is paid.

Partial pension: B\$532.19 (one-half of the full pension) a month is paid if the annual average number of weeks of contributions is 25 to 29; B\$638.62 (three-fifths) for 30 to 34 weeks; B\$745.06 (seven-tenths) for 35 to 39 weeks; B\$851.50 (four-fifths) for 40 to 44 weeks; or B\$957.93 (nine-tenths) for 45 to 49 weeks.

**Old-age settlement (Old Age Gratuity, Contributory Pension Fund, social insurance):** A lump sum of total employee and employer contributions is paid.

**Old-age pension (National Pension Scheme, 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 plan.

**Old-age social pension (Noncontributory Old-Age Pension, social assistance, income tested):** B\$112.17 a week (B\$488.40 a month) is paid with annual income greater than B\$4,000; B\$115.68 a week (B\$502.66 a month) with annual income up to B\$4,000.

### **Permanent Disability Benefits**

**Disability pension (Disability Benefit, Contributory Pension Fund, social insurance):** B\$163.27 a week (B\$709.45 a month) is paid.

Partial pension: A percentage of the full pension is paid based on the average number of weeks of contributions across all years of contributions.

**Disability pension (National Pension Scheme, mandatory occupational pension):** The amount of the benefit depends on the rules for the specific occupational pension plan.

**Disability social pension (Noncontributory Disability Benefit, social assistance, income tested):** B\$112.40 a week (B\$488.40 a month) is paid.

### **Survivor Benefits**

**Survivor pension (Widow's Allowance, Contributory Pension Fund, social insurance):** B\$244.95 a week (B\$1,064.37 a month) is paid.

Partial pension: B\$532.19 (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\$638.62 (three-fifths) a month for 30 to 34 weeks; B\$745.06 (seven-tenths) a month for 35 to 39 weeks; B\$851.50 (four-fifths) a month for 40 to 44 weeks; or B\$957.93 (nine-tenths) a month for 45 to 49 weeks.

Child's supplement: B\$24.44 a week (B\$106.20 a month) is paid for each eligible child.

The survivor pension is paid for 26 weeks or until orphans reach age 18 (age 26 if a full-time student); for life if the widow(er) is older than age 50 or disabled.

**Survivor settlement (Contributory Pension Fund, social insurance):** A lump sum of total employee and employer contributions is paid.

**Survivor benefit (National Pension Scheme, 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 plan 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 collects contributions and 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**

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#### **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), mandatory health insurance (medical benefits), employer-liability (cash benefits), and social assistance (medical benefits) system.

Note: A 2019 amendment to the labor law will introduce a five-day paid paternity benefit and extend paid maternity leave to 13 weeks.

#### **Coverage**

**Universal (medical benefits):** Residents of Bermuda up to age 18 (age 21 if a full-time student) or aged 65 or older.

**Mandatory health insurance (medical benefits):** Private-sector employees and their nonemployed spouses; and self-employed persons.

Voluntary coverage for nonemployed persons.

Special system for public-sector employees and public-sector pensioners.

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):** 30% of the total cost for residents aged 65 to 74; 20% of the total cost for residents aged 75 or older; none for residents up to age 18 (age 21 for full-time students).

**Mandatory health 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 (Future Care; B\$749.24 a month for persons who do not meet residency requirements).

Voluntarily insured persons pay B\$429.24 a month (Health Insurance Plan) or B\$500.14 a month (Future Care;



B\$1,498.48 a month for persons who do not meet residency requirements).

Children up to age 18 (age 21 if a full-time student) may be voluntarily insured for supplemental benefits for B\$190 a month (Health Insurance Plan).

*Employer liability (cash benefits):* None.

*Social assistance (medical benefits):* None.

### Self-employed person

*Universal (medical benefits):* Not applicable.

*Mandatory health 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 supplemental benefits 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 health 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 (Future Care; B\$749.24 a month for persons who do not meet residency requirements).

*Employer liability (cash benefits):* The total cost.

*Social assistance (medical benefits):* None.

### Government

*Universal (medical benefits):* 70% of the total cost for residents aged 65 to 74; 80% of the total cost for residents aged 75 or older; and 100% of the total cost for residents up to age 18 (age 21 for full-time students).

*Mandatory health insurance (medical benefits):* Subsidizes the cost of premiums for supplemental 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 at least 10 consecutive years in the last 20 years with no more than three 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 employment.

**Cash maternity benefit (employer liability):** Must have at least one year of continuous employment with the same employer, 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 aged 65 or older must have lived in Bermuda for at least 10 consecutive years in the last 20 years with no more than 3 months of absence in any year. There is no minimum qualifying period for residents up to age 18.

**Medical benefits (mandatory employment-related insurance):** There is no minimum qualifying period, except for a 10-month waiting period for maternity care.

Insurance through public plans is terminated after 60 days of nonpayment of premiums.

Eligible dependents include a nonemployed spouse, and dependent children up to age 18 (age 21 if a full time student) who are living with the insured.

**Medical benefits (social assistance, income tested):** Must be of Bermudian status or have resided in Bermuda for at least 10 years. There is no minimum qualifying period.

### 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 (13 weeks as of January 1, 2020). The employee is entitled to an additional four weeks of unpaid leave (discontinued as of January 1, 2020). If the employee has less than one year of continuous employment, up to eight weeks (13 weeks as of January 1, 2020) of unpaid leave is provided.

### Workers' Medical Benefits

**Medical benefits (universal and social assistance):** Beneficiaries receive a basic set of benefits 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: Needy residents and residents up to age 18 (age 21 if a full-time student) receive free basic health care services.

**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;



## Bermuda

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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):** Benefits for dependents are the same as for the worker.

**Medical benefits (mandatory employment-related insurance):** 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/department/health-insurance/>) administers and collects contributions for the Health Insurance Plan and the Future Care medical benefits.

Private carriers administer the private insurance medical benefits program and collect contributions.

## **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.

Special system for military personnel.

### **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; contributes as an employer.

### **Qualifying Conditions**

Must have an incapacity for work due to a work-related injury or occupational disease lasting at least three days. Occupational diseases are specified by law.

### **Temporary Disability Benefits**

50% of the employee's lost earnings is paid for up to eight years.

The maximum weekly temporary disability benefit is B\$170.

The benefit may be paid as a lump sum, which is calculated based on the expected duration of the disability.

The total temporary disability benefit must not exceed the permanent disability benefit the employee would be entitled to receive.

### **Permanent Disability Benefits**

For a total (100%) loss of earning capacity for any work, four years of the employee's earnings before the disability began, or four years of the average annual per capita income, whichever is less, is paid.

The average annual per capita income is B\$98,125 (2017).

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 permanent disability benefit is paid based on the assessed loss of earning capacity.

A registered medical practitioner assesses the 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\$98,125 (2017).

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:** If there are no dependents, a lump sum of up to B\$2,000 is paid.

### **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.

Employers insure work injury liability through private carriers or provide benefits directly to employees or dependent survivors.

## **Unemployment**

### **Regulatory Framework**

Under the labor law (2000), employers are required to provide severance pay to employees with at least one year of continuous service in cases of redundancy, insolvency, death of the employer, and death of the employee due to a work injury. The payment amount 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 persons 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 in an approved or registered child care provider. The child must not have begun preschool education.

Income test: Annual household income must not exceed a certain limit.

**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 eligible 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, up to maximums defined in a schedule in law.

## **Administrative Organization**

Department of Financial Assistance (<https://www.gov.bm/departments/financial-assistance/>), under the Ministry of Social Development and Sports, administers the program.

## Bolivia

Exchange rate: US\$1.00 = 6.86 bolivianos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1949 (social insurance).

**Current laws:** 1956 (social security), implemented in 1959; 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 program were transferred to the mandatory individual account program.

#### Coverage

**Universal:** Resident citizens of Bolivia.

Exclusions: Public-sector employees (for the disability solidarity grant).

**Mandatory individual account:** Employed persons, 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) plus 1.71% (disability and survivors) and 0.5% (administrative fees). For the solidarity pension, 0.5% of monthly covered earnings from 2,122 bolivianos to 13,000 bolivianos, 1% of monthly covered earnings from 13,001 bolivianos to 25,000 bolivianos, 5% of monthly covered earnings from 25,001 bolivianos to 35,000 bolivianos, and 10% of monthly covered earnings exceeding 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 2,122 bolivianos.

20% of the insured person's contributions for disability and survivor insurance also finances the solidarity pension.

##### Self-employed person

*Universal:* None.

**Mandatory individual account:** 10% of monthly covered declared earnings (old age) plus 1.71% (disability and survivors) and 0.5% (administrative fees). For the solidarity pension, 0.5% of monthly covered declared earnings from 2,122 bolivianos to 13,000 bolivianos, 1% of monthly covered declared earnings from 13,001 bolivianos to 25,000 bolivianos, 5% of monthly covered declared earnings from 25,001 bolivianos to 35,000 bolivianos, and 10% of monthly covered declared earnings exceeding 35,000 bolivianos. Self-employed persons working in mining cooperatives contribute an additional 2% of declared income from sales for the solidarity pension.

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 2,122 bolivianos.

20% of the self-employed person's contributions for disability and survivor insurance also finances the solidarity pension. See also source of funds under Work Injury.

##### Employer

*Universal:* None.

**Mandatory individual account:** None (old age); premiums finance disability and survivor insurance. For the solidarity pension, 3% of covered payroll (mining companies pay 2% of covered payroll; mining cooperatives pay 2% of declared income from sales). See also source of funds under Work Injury.

##### Government

*Universal:* The total cost of the universal old-age pension, the universal funeral grant, and the solidarity disability grant is financed by taxes on hydro-carbons and dividends from public enterprises.

**Mandatory individual account:** Finances the value of accrued rights under the social insurance program and the funeral grant; no contributions for the solidarity pension; contributes as an employer.

#### Qualifying Conditions

**Old-age pension (Renta Dignidad, Régimen No Contributivo, universal):** Age 60.

The universal old-age pension is payable abroad temporarily under certain conditions.

**Old-age pension (Pensión de Vejez, Régimen Contributivo, mandatory individual account):** At any age if the account balance is sufficient to finance a monthly pension of at least 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 program, if the account balance is sufficient to finance a monthly pension of at least 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 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 one year for every two years of work in unhealthy conditions, up to a five-year reduction.

Solidarity pension (*Pensión solidaria de vejez, régimen semicontributivo*): Age 58 (age 56 for miners) with at least 10 years of contributions, and the account balance is insufficient to finance a monthly pension above a legally defined minimum monthly amount.

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 one year for every two years of work in unhealthy conditions, up to a five-year reduction.

The individual account old-age pension is payable abroad temporarily under certain conditions.

**Disability pension (*Pensión por Invalidez, Régimen Contributivo, 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 from the date of the first individual account contribution to the date the disability began; and have contributed in the 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 36 months before the disability began.

Partial disability: Must have a 50% to 59% assessed degree of disability and meet the age and contribution requirements for the full disability pension.

Severe disability supplement (*Suplemento por gran invalidez*): 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 individual account old-age pension.

The disability pension is payable abroad temporarily under certain conditions.

**Disability solidarity grant (*Renta Solidaria para personas con discapacidad grave y muy grave, 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 disability solidarity grant is not paid for visual impairments.

**Survivor pension (*Pensión por Muerte, Régimen Contributivo, mandatory individual account*):**

The deceased received or was entitled to receive an individual account 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 from the date of the first individual account contribution to the date of death; and had contributed in the 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 36 months before the date of death.

Eligible survivors include a widow(er) or cohabiting partner and orphans younger than age 18 (age 25 if a student; no limit if disabled). If there is no eligible widow(er), partner, or orphan, 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 (re)marriage or cohabitation.

The survivor pension is payable abroad temporarily under certain conditions.

**Funeral grant (*Gastos Funerales, Régimen No Contributivo, universal*):** Paid if a universal old-age pensioner dies.

A widow(er) or cohabiting partner, sibling, or parent can claim the grant up to 18 months after the deceased's death; other persons only have up to six months to claim the grant.

The universal funeral grant cannot be combined with an individual account funeral grant.

**Funeral grant (*Gastos Funerarios, Régimen Contributivo, mandatory individual account*):**

Paid when an insured person younger than age 60 or a person aged 60 or older receiving or entitled to receive an individual account old-age, disability, or solidarity pension dies.

A widow(er) or cohabiting partner, sibling, or parent can claim the grant up to 18 months after the deceased's death; other persons have only up to six months to claim the grant.

The individual account funeral grant cannot be combined with a universal funeral grant.

### Old-Age Benefits

**Old-age pension (*Renta Dignidad, Régimen No Contributivo, universal*):** 4,550 bolivianos a year is paid;

3,900 bolivianos a year to a person receiving another pension.



Schedule of payments: The pension is paid monthly, bimonthly, quarterly, or annually.

Benefit adjustment: Benefits are adjusted every three years based on available funds.

**Old-age pension (Pensión de Vejez, Régimen Contributivo, mandatory individual account):** The insured must use the account balance to purchase a fixed or variable life annuity, depending on the account balance at retirement. (The value of accrued rights under the old social insurance program is combined with the account balance at retirement.)

The first monthly amount paid under a variable life annuity must be at least 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).

Benefit adjustment: Benefits are adjusted annually based on changes in the UFV (Unidad de Fomento de Vivienda).

The UFV is an index that is adjusted daily based on changes in the consumer price index.

Solidarity pension (Pensión solidaria de vejez, régimen semicontributivo): The difference between the monthly pension financed by the account balance and a legally defined minimum monthly amount based on the insured's years of contributions is paid with 10 to 15 years of contributions: 640 bolivianos with 10 years of contributions, 695 bolivianos with 11 years of contributions, 752 bolivianos with 12 years of contributions, 808 bolivianos with 13 years of contributions, 864 bolivianos with 14 years of contributions, or 920 bolivianos with 15 years of contributions. If the insured has at least 16 years of contributions, the legally defined minimum monthly amount varies depending on the insured's years of contributions and average covered earnings in the last 24 contribution periods: the monthly amount ranges from 954 bolivianos to 1,136 bolivianos with 16 years of contributions (depending on the insured's average covered earnings) and increases with each additional year of contributions until reaching 1,600 bolivianos to 4,200 bolivianos with at least 35 years of contributions.

Schedule of payments: 13 payments a year.

### **Permanent Disability Benefits**

**Disability pension (Pensión por Invalidez, Régimen Contributivo, mandatory individual account):** 70% of the insured's average monthly covered 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: The insured's average monthly covered earnings in the last five years (or over the total contribution period if the insured has less than five years of contributions) multiplied by the assessed degree of disability is paid.

Severe disability supplement (Suplemento por gran invalidez): A monthly benefit equal to the legal monthly minimum wage is paid.

The legal monthly minimum wage is 2,122 bolivianos.

The insurance company pays a monthly contribution of 10% of the insured's average monthly covered 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 program (if applicable) to purchase a temporary annuity. The monthly annuity is 60% of the insured's average monthly covered 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: Benefits are adjusted annually based on changes in the UFV (Unidad de Fomento de Vivienda).

The UFV is an index that is adjusted daily based on changes in the consumer price index.

**Disability solidarity grant (Renta Solidaria para personas con discapacidad grave y muy grave, universal):** 250 bolivianos a month is paid.

### **Survivor Benefits**

**Survivor pension (Pensión por Muerte, Régimen Contributivo, 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 orphan; 70% with one eligible orphan; or 50% with at least two eligible orphans. (Life insurance tops up the deceased's account balance if the balance plus accrued rights under the old social insurance program [if applicable] is insufficient to finance the survivor pension.)

The monthly base survivor pension is the individual account old-age, disability, or solidarity 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 2,122 bolivianos.

**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; or 100% is split equally among full orphans. (Life insurance tops up the deceased's account balance if the balance plus accrued rights under the old social insurance program [if applicable] is insufficient to finance the survivor pension.)

When an orphan ceases to be eligible, the spouse's pension is recalculated.

The maximum combined spouse's and orphan's pension is 100% of the monthly base survivor pension.

**Other eligible survivor's pension:** If there is no eligible widow(er), partner, or orphan, 60% of the monthly base survivor pension is divided equally among other eligible survivors.

The maximum combined survivor pension for other eligible survivors is 60% of the monthly base survivor pension.

Schedule of payments: Survivor pensions are paid 13 times a year.

If the deceased did not meet the contribution requirements for an individual account old-age or disability pension, the deceased's account balance plus accrued rights under the old social insurance program (if applicable) may be used to purchase a temporary annuity. The monthly annuity is 60% of the deceased's average monthly covered 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:** Benefits are adjusted annually based on changes in the UFV (Unidad de Fomento de Vivienda).

The UFV is an index that is adjusted daily based on changes in the consumer price index.

**Funeral grant (Gastos Funerales, Régimen No Contributivo, universal):** A lump sum of 1,800 bolivianos is paid to the person who paid for the funeral.

**Funeral grant (Gastos Funerarios, Régimen Contributivo, mandatory individual account):** A lump sum of 1,800 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.

Approved financial entities pay the universal old-age pension.

Ministry of Health (<https://www.minsalud.gob.bo>) administers the disability solidarity grant.

Pension and Insurance Auditing Authority (APS) (<http://www.aps.gob.bo/>) supervises the Pension Fund Administrators (AFPs).

AFPs administer the old-age and solidarity pensions 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 pay disability and survivor pensions.

Assessment Body, established by the AFPs and the insurance companies, determines the degree of disability.

## Sickness and Maternity

### Regulatory Framework

**First and current laws:** 1956 (social security code); 1959 (regulations), 1987 (social security), implemented in 1989; 1988 (job protection); 1998 (basic health insurance); 2002 (child and maternal health); 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:** Universal (medical benefits), social insurance (cash and medical benefits), and employer-liability (paternity benefit) system.

### Coverage

**Universal:** Citizens of Bolivia not covered by the social insurance program; noncitizens from a country under a reciprocity agreement with Bolivia; noncitizens from a country without a reciprocity agreement with Bolivia restricted to: pregnant women up to six months after child delivery, children younger than age 5, persons older than age 60, registered disabled persons, and women of reproductive age for sexual and reproductive health care.

**Social insurance:** Public- and private-sector employees, and persons older than age 60 (medical benefits only).

Voluntary coverage for self-employed persons.

**Employer liability:** Public- and private-sector employees.

Exclusions: Self-employed persons.

## Source of Funds

### Insured person

*Universal:* None.

*Social insurance:* None; pensioners contribute 3% of their monthly pensions.

*Employer liability:* None.

### Self-employed person

*Universal:* None.

*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 2,122 bolivianos.

The self-employed person's contributions also finance temporary disability benefits and medical benefits under Work Injury.

*Employer liability:* Not applicable.

### Employer

*Universal:* None.

*Social insurance:* 10% of monthly payroll.

The employer's contributions also finance temporary disability benefits and medical benefits under Work Injury.

*Employer liability:* The total cost.

### Government

*Universal:* The total cost.

*Social insurance:* None; the total costs of health insurance for university students not otherwise covered; contributes as an employer.

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

## Qualifying Conditions

**Cash sickness benefit (Subsidio de Enfermedad, Seguro de Enfermedad, social insurance):** Must have at least two months of contributions before the incapacity began.

**Cash maternity benefit (Subsidio de Maternidad, Seguro de Maternidad, 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 (Licencia de Paternidad, employer liability):** Must provide a medical certificate confirming a spouse's or partners child delivery.

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

**Medical benefits (Seguro de Enfermedad, social insurance):** Must have at least one month of contributions in the last two months.

## Sickness and Maternity Benefits

**Sickness benefit (Subsidio de Enfermedad, Seguro de Enfermedad, social insurance):** 75% of the insured's last monthly earnings is paid after a three-day waiting period for up to 26 weeks (the first three days of sick leave are paid by the employer).

**Maternity benefit (Subsidio de Maternidad, Seguro de Maternidad, social insurance):** 90% of the insured's last monthly earnings before the maternity leave began 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 positions, salaries, and grades during the entire pregnancy and until the child is 12 months old.

Additional maternity benefits are paid under Family Allowances.

**Paternity benefit (Licencia de Paternidad, employer liability):** 100% of the employee's daily earnings are paid for up to three days.

## Workers' Medical Benefits

**Medical benefits (universal):** Benefits include general, specialist, and preventive care; maternity care; diagnostic services; surgery, hospitalization; dental care; and essential medicine. Medical services with a specialist must be accessed by referral.

**Medical benefits (Seguro de Enfermedad, social insurance):** Benefits include general, specialist, and preventive care; maternity care; diagnostic services; surgery; hospitalization; prostheses; organ transplants; dental care; and medicine.

## Dependents' Medical Benefits

**Medical benefits (universal):** Dependents are covered in their own right.

**Medical benefits (Seguro de Enfermedad, social insurance):** 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 Supervisory Authority of Short-Term Social Security (ASUSS) (<http://asuss.gob.bo/>).

Short-term social insurers administer the social insurance program and collect contributions jointly with the National Health Fund (<https://www.cns.gob.bo/>).

Employers pay paternity benefits directly.

Free health care is provided under the universal program in public health institutions.

## Work Injury

### Regulatory Framework

**First law:** 1924 (work injury).

**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

**Social insurance:** Public- and private-sector employees. Voluntary coverage for self-employed persons.

**Mandatory individual account:** Employed persons, including military personnel and apprentices. Voluntary coverage for self-employed persons.

### Source of Funds

#### Insured person

*Social insurance:* None.

*Mandatory individual account:* None.

#### Self-employed person

*Social insurance:* See source of funds under Sickness and Maternity.

*Mandatory individual account:* 1.71% of monthly covered declared earnings.

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 2,122 bolivianos.

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 monthly 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 60 times the legal monthly minimum wage.

The legal monthly minimum wage is 2,122 bolivianos.

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 (Subsidio por Incapacidad Temporal, 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 (Renta de Invalidez, mandatory individual account):** For an assessed degree of disability of at least 60%, 100% of the insured's average monthly covered earnings in the last five years (or over the total contribution period if the insured has less than five years of contributions) is paid.

Severe disability supplement (Suplemento por gran invalidez): A monthly benefit equal to the legal monthly minimum wage is paid if the insured has at least an 80% assessed degree of disability.

The insurance company pays a monthly contribution of 10% of the insured's average monthly covered 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 2,122 bolivianos.

**Partial disability (Invalidez parcial):** For an assessed degree of disability of at least 25% but less than 60%, the insured's average monthly covered earnings in the last five years (or over the whole contribution period if the insured has less than five years of contributions) multiplied by the assessed degree of disability is paid.

The disability pension ceases at age 65 and is replaced by the individual account old-age pension.

**Disability grant (Indemnización global):** For an assessed degree of disability of at least 10% but less than 25%, a lump sum of 48 times the insured's average monthly covered 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:** Benefits are adjusted annually based on the UFV (Unidad de Fomento de Vivienda).

The UFV is an index that is adjusted daily based on changes in the consumer price index.

### **Workers' Medical Benefits**

**Medical benefits (social insurance):** Benefits include necessary medical and surgical care, hospitalization, diagnostics, prosthesis, and medicine.

### **Survivor Benefits**

#### **Survivor pension (Pensión por Muerte, 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 orphans; 60% if there is one eligible orphan; or 50% if there are two or more eligible orphan.

The monthly base survivor pension is 100% of the deceased's average monthly covered 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 2,122 bolivianos.

The spouse's pension ceases upon remarriage or cohabitation.

**Orphan's pension:** 20% of the monthly base survivor pension is paid for one orphan up to age 18 (age 25 if a student; no limit if disabled); 50% is split equally if there are two or more orphans; or 100% is split equally among full orphans.

When an orphan ceases to be eligible, the spouse's pension is recalculated.

The maximum combined spouse's and orphan's pension is 100% of the monthly base survivor pension.

**Other eligible survivor's pension:** If there is no surviving spouse, partner, or orphan, 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 covered earnings in the last five years (or over the whole contribution period if the deceased had less than five years of contributions).

The maximum combined survivor pension for other eligible survivors is 60% of the monthly base survivor pension.

**Schedule of payments:** Survivor pensions are paid 13 times a year.

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 covered 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.

**Benefit adjustment:** Benefits are adjusted annually based on the UFV (Unidad de Fomento de Vivienda).

The UFV is an index that is adjusted daily based on changes in the consumer price index.

**Funeral grant (Gastos Funerales, 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.

Supervisory Authority of Short-Term Social Security (ASUSS) (<http://asuss.gob.bo/>) provides regulatory and financial supervision for the social insurance program.



Short-term social insurers administer the social insurance program and collect contributions jointly with the National Health Fund (<http://www.cns.gob.bo/>).

Pension and Insurance Auditing Authority (APS) (<http://www.aps.gob.bo/>) supervises the Pension Fund Administrators (AFPs).

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

## Unemployment

### Regulatory Framework

No statutory unemployment benefits are provided.

The labor code requires employers to provide severance pay to dismissed employees with more than 90 days of continuous employment. The payment amount is 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). Dismissed employees are covered for medical and maternity benefits for up to two months after employment ceases.

## Family Allowances

### Regulatory Framework

**First law:** 1953 (family allowances for certain categories of workers).

**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:** Universal and social insurance system.

### Coverage

**Universal:** Residents of Bolivia.

**Social insurance:** Public- and private-sector employees, including 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.

## Source of Funds

### Insured person

**Universal:** None.

**Social insurance:** None.

### Self-employed person

**Universal:** None.

**Social insurance:** Not applicable.

### Employer

**Universal:** None.

**Social insurance:** 13% of monthly payroll.

### Government

**Universal:** The total cost.

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

## Qualifying Conditions

### Child cash transfer (Bono Juancito Pinto, universal):

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 cards, and are accompanied by a parent or guardian to receive the payments.

### Mother and baby grant (Bono Juana Azurduy, universal):

Paid to a pregnant woman without social insurance for medical benefits, an imprisoned pregnant woman, or a child not covered by social insurance for medical benefits up to age 2 (must be younger than age 1 at the time of the application for the grant). Mother and child must attend regular medical appointments. Beneficiaries must not receive any other family allowance.

### Prenatal subsidy (Subsidio Universal Prenatal por la

**Vida, universal, in kind):** Paid to an uninsured woman who has completed four months of pregnancy.

### Prenatal grant (Subsidio Prenatal, social insurance, in

**kind):** Paid to an insured woman who has completed four months of pregnancy and undergone monthly prenatal examinations.

### Birth grant (Subsidio de Natalidad, social insurance):

Paid for a child registered as the insured's dependent with the National Health Fund.

### Nursing allowance (Subsidio de Lactancia, social insurance, in kind):

Paid for a child younger than 12 months.

### Burial allowance (Subsidio de Sepelio, social insurance):

Paid for the death of a child younger than age 19.

## Family Allowance Benefits

### Child cash transfer (Bono Juancito Pinto, universal):

200 bolivianos a year is paid for each eligible child.



**Mother and baby grant (Bono Juana Azurduy, universal):** A lump sum of 2,000 bolivianos is paid.

**Prenatal subsidy (Subsidio Universal Prenatal por la Vida, universal, in kind):** Four baskets of nutritional products, each valued at 300 bolivianos, are provided during pregnancy.

**Prenatal grant (Subsidio Prenatal, social insurance, in kind):** A monthly basket of food products equal in value to 2,000 bolivianos is provided during the last five months of pregnancy.

**Birth grant (Subsidio de Natalidad, social insurance):** A lump sum of 2,000 bolivianos is paid for each birth.

**Nursing allowance (Subsidio de Lactancia, social insurance, in kind):** A food and milk basket equal in value to 2,000 bolivianos is provided during the first year.

**Burial allowance (Subsidio de Sepelio, social insurance):** A lump sum of 2,000 bolivianos is paid.

### **Administrative Organization**

Ministry of Health (<https://www.minsalud.gob.bo/>) provides supervision for the social insurance system, the Juana Azurduy mother baby grant, and the universal prenatal subsidy.

Supervisory Authority of Short-Term Social Security (ASUSS) (<http://asuss.gob.bo/>), along with other short-term health entities, administer the social insurance program, 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 (<https://www.sedem.gob.bo/>) 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 = 3.819 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 officials and public-sector employees not covered by a special system; and self-employed persons.

Voluntary coverage for students, housewives and homemakers, unemployed persons, and other 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 1,751.81 reais (January 2019); 9% with monthly earnings from 1,751.82 reais to 2,919.72 reais (January 2019); or 11% with monthly earnings exceeding 2,919.72 reais (January 2019).

Voluntarily insured persons contribute 20% of monthly declared earnings; 11% of the legal monthly minimum wage if they forego the right to the length of contribution pension. Housewives and homemakers of families with an income up to two times the legal monthly minimum wage (excluding income from the Bolsa Familia cash grant) pay 5% of the legal monthly minimum wage if they have no individual income.

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

The legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly earnings used to calculate contributions are 5,839.45 reais (January 2019).

The insured person's contributions also finance cash sickness and maternity benefits and family allowances.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 20% of monthly covered declared earnings; 11% of the legal monthly minimum wage for those who forego the right to the length of contribution pension (5% for small businesses).

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

The legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly earnings used to calculate contributions are 5,839.45 reais (January 2019).

The self-employed person's contributions also finance cash 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 998 reais (January 2019).

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 exceeding 360,000 reais but less than 4,800,000 reais) contribute 1.66% to 10.07% of monthly declared earnings, depending on annual earnings declared in the last 12 months and the economic sector.

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

**Social assistance:** None.

##### Government

**Social insurance:** Finances any deficit; covers administrative costs; and contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

##### Old-age pension (social insurance)

**Age pension (Aposentadoria por idade):** Age 65 (men) or age 60 (women) for salaried and self-employed urban workers; age 60 (men) or age 55 (women) for rural workers.

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, 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.

Employment may continue.

The age pension is payable abroad under bilateral or multilateral agreement.

*Age pension for persons with disabilities (Aposentadoria por idade da pessoa com deficiência):* 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.

The age pension for persons with disabilities is payable abroad under bilateral or multilateral agreement.

*Length of contribution pension (Aposentadoria por tempo de contribuição):* At any age with at least 35 years (men) or 30 years (women) of contributions.

The length of contribution pension is payable abroad under bilateral or multilateral agreement.

*Special length of contribution pension (Aposentadoria especial por tempo de contribuição):* At any age if exposed to hazardous substances and have 15, 20, or 25 years of contributions, depending on the substance.

Employment must cease.

The special length of contribution pension is payable abroad under bilateral or multilateral agreement.

*Length of contribution pension for persons with disabilities (Aposentadoria da pessoa com deficiência por tempo de contribuição):* At any age with 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 length of contribution pension for persons with disabilities is payable abroad under bilateral or multilateral agreement.

**Old-age assistance (Benefício de prestação continuada à pessoa idosa, social assistance, income tested):** Age 65 and not gainfully employed.

Income test: Monthly household income must be less than 25% of the legal monthly minimum wage per person.

The legal monthly minimum wage is 998 reais (January 2019).

Eligibility for the old-age assistance is reviewed every two years.

**Disability pension (Aposentadoria por invalidez, social insurance):** Must be assessed with a permanent incapacity for any 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.

Constant-attendance allowance (Acréscimo por assistência permanente): Paid if the insured requires the constant attendance of others to perform daily functions.

The National Social Security Institute assesses the degree of disability every two years.

The disability pension is payable abroad under bilateral or multilateral agreement.

**Disability assistance (Benefício de prestação continuada à pessoa com deficiência, social assistance, income tested):** Must be assessed with a disability.

Income test: Monthly household income must be less than 25% of the legal monthly minimum wage per person.

The legal monthly minimum wage is 998 reais (January 2019).

Eligibility for disability assistance is reviewed every two years.

**Survivor pension (Pensão por morte, social insurance):** There is no minimum qualifying period.

Eligible survivors include a widow(er) or partner (opposite or same sex) and orphans younger than age 21 (no limit if assessed with a total disability, an intellectual or mental disability, or a severe physical disability); if there is no eligible widow(er), partner, or orphan (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 agreement.

### Old-Age Benefits

#### Old-age pension (social insurance)

*Age pension (Aposentadoria por idade):* 70% of the insured's average monthly earnings plus 1% of average monthly earnings for each year of contributions is paid.

For a person first insured on or before November 28, 1999, the average monthly earnings are based on the best 80% of the insured's total monthly earnings since July 1994. For a person first insured after November 28, 1999, the average monthly earnings are based on the best 80% of the insured's total monthly earnings.

The insured may opt for the pension to be calculated using the Social Security Factor (Fator Previdenciário) method. The Social Security Factor 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 legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly earnings used to calculate benefits are 5,839.45 reais (January 2019).

The minimum monthly age pension is the legal monthly minimum wage.

The maximum monthly age pension is 5,839.45 reais or 100% of the insured's average monthly earnings, whichever is less (January 2019).

*Age pension for persons with disabilities (Aposentadoria por idade da pessoa com deficiência):* Calculated in the same way as the age pension.

*Length of contribution pension (Aposentadoria por tempo de contribuição):* 100% of the insured's average monthly earnings is paid.

For a person first insured before November 29, 1999, the average monthly earnings are based on the best 80% of the insured's total monthly earnings since July 1994, multiplied by the Social Security Factor (Fator Previdenciário). For a person first insured after November 28, 1999, the average monthly earnings are based on the best 80% of the insured's total monthly earnings, multiplied by the Social Security Factor.

The insured may opt for nonapplication of the Social Security Factor (Fator Previdenciário) 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 Social Security Factor (Fator Previdenciário) 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 legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly earnings used to calculate benefits are 5,839.45 reais (January 2019).

The minimum monthly length of contribution pension is the legal monthly minimum wage.

*Special length of contribution pension (Aposentadoria especial por tempo de contribuição):* 100% of the insured's average monthly earnings is paid.

For a person first insured before November 29, 1999, the average monthly earnings are based on the best 80% of the insured's total monthly earnings since July 1994. For a person first insured after November 28, 1999, the average monthly earnings are based on the best 80% of the insured's total monthly earnings.

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

The legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly earnings used to calculate benefits are 5,839.45 reais (January 2019).

The minimum monthly special length of contribution pension is the legal monthly minimum wage.

*Length of contribution pension for persons with disabilities (Aposentadoria da pessoa com deficiência por tempo de contribuição):* Calculated in the same way as the special length of contribution pension.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost-of-living index or the legal monthly minimum wage.

**Old-age assistance (Benefício de prestação continuada à pessoa idosa, social assistance, income tested):** 100% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 998 reais (January 2019).

Benefit adjustment: Benefits are adjusted annually based on changes in the legal monthly minimum wage.

### **Permanent Disability Benefits**

**Disability pension (Aposentadoria por invalidez, social insurance):** 100% of the insured's average monthly earnings is paid; 100% of the legal monthly minimum wage for rural workers.

For a person first insured before November 29, 1999, the average monthly earnings are based on the best 80% of the insured's total monthly earnings since July 1994. For a person first insured after November 28, 1999, the average monthly earnings are based on the best 80% of the insured's total monthly earnings.

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

The legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly earnings used to calculate benefits are 5,839.45 reais (January 2019).

The minimum monthly disability pension is the legal monthly minimum wage.

The maximum monthly disability pension is 5,839.45 reais (January 2019).

Constant-attendance allowance (Acréscimo por assistência permanente): 25% of the disability pension is paid.

Schedule of payments: 13 payments a year.

## Brazil

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Benefit adjustment: Benefits are adjusted annually based on changes in the cost-of-living index or the legal monthly minimum wage.

**Disability assistance (Benefício de prestação continuada à pessoa com deficiência, social assistance, income tested):** 100% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 998 reais (January 2019).

Benefit adjustment: Benefits are adjusted annually based on changes in the legal monthly minimum wage.

### Survivor Benefits

**Survivor pension (Pensão por morte, social insurance):** 100% of the old-age or disability pension the deceased received or 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 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 pension varies depending on the spouse's or partner's age: 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; or if aged 44 or older, for life.

The minimum monthly survivor pension is the legal monthly minimum wage.

The legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly survivor pension is 5,839.45 reais (January 2019).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost-of-living index or the minimum wage.

### Administrative Organization

Ministry of Economy (<http://www.economia.gov.br/>) provides general supervision and collects contributions.

National Social Security Institute (<http://www.inss.gov.br/>) administers benefits.

## Sickness and Maternity

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### Regulatory Framework

**First laws:** 1923 (railroads), 1934 (commerce), 1936 (industry), and 1974 (maternity).

**Current laws:** 1990 (health), 1991 (social security), and 1991 (social insurance).

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

### Coverage

**Universal:** Residents of Brazil.

**Social insurance:** Salaried workers in industry, commerce, and agriculture; rural workers; household workers; casual workers; elected officials and public-sector employees not covered by a special system; and self-employed persons.

Voluntary coverage for students, housewives and homemakers, unemployed persons, and other persons without gainful employment.

Special systems for certain 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:* Finances any deficit; covers administrative costs; and contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit (Auxílio-doença comum, social insurance):** Must have contributed in the last 12 months. There is no qualifying period for an accident or serious illness.



**Cash maternity benefit (Salário-maternidade, 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 (Auxílio-doença comum, 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 the insured's earnings for the first 15 days.)

There is no limit to duration.

Average monthly earnings are based on the best 80% of the insured's total monthly earnings, up to the average monthly earnings in the last 12 months, or the average of the contributions made if the insured 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 998 reais (January 2019).

The maximum monthly earnings used to calculate benefits are 5,839.45 reais (January 2019).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index and the legal monthly minimum wage.

**Maternity benefit (Salário-maternidade, social insurance):** 100% of the insured's last earnings 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 monthly 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 maternity benefit is paid for two weeks for a miscarriage; 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 998 reais (January 2019).

The maximum monthly earnings used to calculate benefits are 39,200 reais (January 2019) for employed women and casual workers; 5,839.45 reais (January 2019) for household workers, self-employed persons, and voluntarily insured women; or 998 reais (January 2019) for rural workers in predominantly family based subsistence activities.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index and the legal monthly minimum wage.

### **Workers' Medical Benefits**

**Medical benefits (universal):** 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 (universal):** Dependents are covered in their own right.

### **Administrative Organization**

Ministry of Economy (<http://www.economia.gov.br/>) provides general supervision and collects contributions for cash benefits.

National Social Security Institute (<http://www.inss.gov.br/>) administers the cash benefits.

Ministry of Health (<http://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 (work injury).

**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.

#### **Source of Funds**

**Insured person:** None.

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

## Brazil

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**Employer:** 1% to 3% of gross payroll, depending on 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:** Finances any deficit; contributes as an employer.

### Qualifying Conditions

Must be assessed with a work injury or occupational disease. There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

### Temporary Disability Benefits

**Temporary disability benefit (Auxílio-doença acidentário):** 91% of the insured's average monthly earnings is paid after a 15-day waiting period. (The employer pays 100% of the insured's 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 monthly earnings are based on the best 80% of the insured's total monthly earnings, up to the average monthly earnings in the last 12 months, or the average of the contributions made if the insured person has less than 12 contributions. For rural workers, average monthly earnings are 100% of the legal monthly minimum wage.

The legal monthly minimum wage is 998 reais (January 2019).

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

The maximum monthly earnings used to calculate benefits are 5,839.45 reais (January 2019).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost-of-living index and the legal monthly minimum wage.

### Permanent Disability Benefits

**Permanent disability pension (Aposentadoria por invalidez):** 100% of the insured's average monthly earnings is paid if the insured has no work capacity.

Average monthly earnings are based on the best 80% of the insured's total monthly earnings.

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

The legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly earnings used to calculate benefits are 5,839.45 reais (January 2019).

Constant-attendance supplement (Acréscimo por assistência permanente): 25% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

Schedule of payments: 13 payments a year.

The National Social Security Institute assesses the degree of disability every two years.

### Accident benefit (Auxílio-acidente, partial disability):

50% of the insured's average monthly earnings is paid to workers with disabilities who have some work capacity.

Average monthly earnings are based on the best 80% of the insured's total monthly earnings.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost-of-living index.

### Workers' Medical Benefits

Benefits are provided through the universal program under Sickness and Maternity.

### Survivor Benefits

**Survivor pension (Pensão por morte):** 100% of the permanent disability pension the deceased received or was entitled to receive is paid; 100% of the legal monthly 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 (same or opposite sex) and orphans younger than age 21 (no limit if assessed with a total disability, a severe physical disability, or a partial intellectual or mental disability); if there is no widow(er), partner, or orphan, other eligible survivors include (in order of priority) parents and brothers and sisters younger than age 21 (no limit if assessed with a total disability, a severe physical disability, or a partial intellectual or mental disability).

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; or for life if aged 44 or older.

The minimum monthly survivor pension is the legal monthly minimum wage.

The legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly survivor pension is 5,839.45 reais (January 2019).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost-of-living index and the legal monthly minimum wage.

### **Administrative Organization**

Ministry of Economy (<http://www.economia.gov.br/>) provides general supervision of and collects contributions for the cash benefits.

National Social Security Institute (<http://www.inss.gov.br/>) administers cash benefits.

Ministry of Health (<http://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**

### **Regulatory Framework**

**First laws:** 1966 (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 the individual account for involuntary unemployment, retirement, and other contingencies.

### **Coverage**

Employees in the formal private sector and other categories of workers, including 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 (Seguro-desemprego, 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 not receive social insurance benefits.

Means test: Must not be receiving any other social security benefit (except work injury or survivor benefits) and not have sufficient income to support his or her family.

### **Unemployment Benefits**

**Unemployment benefit (Seguro-desemprego, means tested):** The monthly benefit varies depending on 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 1,531.02 reais; 50% of average monthly earnings plus a lump sum of 1,224.82 reais with average monthly earnings of 1,531.03 reais to 2,551.96; a lump sum of 1,735.29 with average monthly earnings exceeding 2,551.96 reais.

The minimum monthly unemployment benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 998 reais (January 2019).

The maximum monthly unemployment benefit is 1,735.29 reais (January 2019).

The unemployment 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 based on changes in the legal monthly 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: Self-employed persons and rural workers in predominantly family based subsistence activities.

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:** Finances any deficit; covers administrative costs; and contributes as an employer.

**Social assistance:** The total cost.

## Qualifying Conditions

**Family allowance (Salário-família, social insurance, income tested):** Paid for children younger than age 14. 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 covered employment or receive an age pension; a length of contribution pension; a disability pension; or a length of contribution pension for persons with disabilities and be aged 65 or older (men) or aged 60 or older (women). The family allowance is paid to both parents if both are insured.

Income test: The insured's monthly income must not exceed 1,364.43 reais.

**Prisoner's dependents pension (Auxílio-reclusão, social insurance, income tested):** Paid to eligible dependents if the insured is imprisoned and had a monthly income up to 1,364.43 reais immediately before imprisonment and has at least 24 months of contributions.

Eligible dependents include a spouse or partner (same or opposite sex) and children younger than age 21 (no limit if assessed with a total disability, a severe physical disability,

or a partial intellectual or mental disability); if there is no eligible spouse, partner, or child (in order of priority), parents and siblings younger than age 21 (no limit if assessed with a total disability, a severe physical disability, or a partial intellectual or mental disability).

Income test: The insured's monthly income must not exceed 1,364.43 reais.

**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 (Salário-família, social insurance, income tested):** 46.54 reais a month is paid for each eligible child if the insured's earnings do not exceed 907.77 reais; 32.80 reais a month with earnings of 907.78 reais to 1,364.43 reais.

Employers pay allowances and the National Social Security Institute reimburses them for the total cost.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index.

**Prisoner's dependents pension (Auxílio-reclusão, social insurance, income tested):** 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 duration of the benefit varies depending on the spouse's or partner's age: if the spouse 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 prisoner's dependents pension is the legal monthly minimum wage.

The legal monthly minimum wage is 998 reais (January 2019).

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost-of-living index and the legal monthly minimum wage.

**Bolsa Familia cash grant (social assistance, income tested):** A basic benefit of 89 reais a month is paid for a household with monthly income up to 89 reais per person. An additional variable monthly benefit of 41 reais a month is paid for each child younger than age 16, for pregnant women for up to nine months of pregnancy, and

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for breastfeeding mothers for up to six months, up to five payments per household; and 48 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 89 reais, the difference between the monthly household income per person and 89 reais is paid.

### ***Administrative Organization***

Ministry of Economy (<http://www.economia.gov.br/>) provides general supervision and collects contributions for the social insurance program.

National Social Security Institute (<http://www.inss.gov.br/>) administers the social insurance program.

Employers pay social insurance benefits to employees.

Ministry of Citizenship (<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 social assistance program.



## British Virgin Islands

Exchange rate: Currency is the US dollar (\$).

### 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 for persons who previously had mandatory coverage for at least one year.

#### Source of Funds

**Insured person:** 4% (private sector) or 3.5% (public sector) of monthly covered earnings; 7% of covered earnings for the voluntarily insured (old-age, disability, and survivor benefits); none for persons aged 65 or older.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are \$815.00 (\$837.00 as of January 2020) a week, \$3,531.66 (\$3,627.00 as of January 2020) a month, or \$42,380 (\$43,524 as of January 2020) a year.

The insured person's contributions also finance cash sickness and maternity benefits (only cash maternity benefits for the public sector).

**Self-employed person:** 8.5% of monthly covered declared earnings.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are \$815.00 (\$837.00 as of January 2020) a week, \$3,531.66 (\$3,627.00 as of January 2020) a month, or \$42,380 (\$43,524 as of January 2020) a year.

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

**Employer:** 4.5% (private sector) or 4% (public sector) of monthly covered payroll; 0.5% for persons age 65 or older (work injury benefits only).

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are \$815.00 (\$837.00 as of January 2020) a week, \$3,531.66 (\$3,627.00 as of January 2020) a month, or \$42,380 (\$43,524 as of January 2020) a year.

The employer's contributions also finance cash sickness and maternity benefits (only cash maternity benefits for the public sector), and work injury benefits.

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

#### Qualifying Conditions

**Old-age pension:** Age 65 with at least 500 weeks of contributions.

Employment may continue.

The old-age pension is payable abroad.

**Old-age grant:** Age 65 with at least 50 weeks but less than 500 weeks of contributions.

Employment may continue.

The old-age grant is payable abroad.

**Disability pension:** Must be younger than the normal retirement age, be assessed with a permanent incapacity for any work, have been unable to work for at least the last six months, and have at least 250 weeks of contributions.

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.

The disability pension is payable abroad.

**Disability grant:** Must be younger than the normal retirement age, be assessed with a permanent incapacity for any work, have been unable to work for at least the last six months, and have at least 50 weeks but less than 500 weeks of contributions.

The disability grant is 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) who is aged 40 or older, who is disabled, or who is 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.

The survivor pension is payable abroad.

**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) who is aged 40 or older, who is disabled, or who is 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 survivor grant is payable abroad.

**Funeral grant:** Paid to the person who pays for the funeral when an insured person, the spouse of an insured person, or a dependent child younger than age 15 (age 21 if a student) dies. The insured must have at least 26 weeks of contributions.

The funeral grant is payable abroad.

### 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 weeks of contributions exceeding 500 weeks is paid.

Average annual covered earnings are the sum of the insured's earnings in the best 11 years of earnings 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 \$42,380 (\$43,524 as of January 2020).

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 average annual covered earnings.

Benefit adjustment: Benefits are adjusted annually based on changes in a composite consumer price index or 5%, whichever is lower.

**Old-age grant:** A lump sum of six times the insured's average weekly earnings is paid for every 50 weeks of contributions exceeding 50 weeks.

### Permanent Disability Benefits

**Disability pension:** 30% of the insured's average annual covered earnings plus 1% of average annual covered earnings for every 50 weeks of contributions exceeding 500 weeks is paid.

Average annual covered earnings are the sum of the insured's earnings in the best 11 years of earnings 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 \$42,380 (\$43,524 as of January 2020).

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 average annual covered earnings.

Benefit adjustment: Benefits are adjusted annually based on changes in a composite consumer price index or 5%, whichever is lower.

**Disability grant:** A lump sum of six times the insured's average weekly earnings is paid for every 50 weeks of contributions exceeding 50 weeks.

### 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 benefit amount depends on the deceased'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 a person aged 16 or older, \$3,000.

### 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 program and collects contributions.

### Sickness and Maternity

#### 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. Public-sector employees and civil servants are covered for maternity benefits only.

**Medical benefits (National Health Insurance):** Legal residents of the British Virgin Islands.

### Source of Funds

#### Insured person

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

**Medical benefits:** 3.75% of monthly covered earnings plus 3.75% for a nonemployed spouse.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are \$1,630.00 a week, \$7,063.34 a month, or \$84,760.00 a year.

#### Self-employed person

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

**Medical benefits:** 7.5% of monthly covered declared earnings.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are \$1,630.00 a week, \$7,063.34 a month, or \$84,760.00 a year.

#### Employer

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

**Medical benefits:** 3.75% of monthly covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are \$1,630.00 a week, \$7,063.34 a month, or \$84,760.00 a year.

#### Government

**Cash benefits:** None; contributes as an employer.

**Medical benefits:** Pays contributions for dependent children, unemployed elderly persons, needy persons, and prisoners; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit:** Must have at least 26 weeks of contributions, including at least eight weeks of contributions in the 13 weeks immediately 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 immediately 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. There is no minimum qualifying period.

### 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.

The maximum weekly earnings used to calculate benefits is \$815 (\$837 as of January 2020).

There is no minimum weekly sickness benefit.

**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.

The maximum weekly earnings used to calculate benefits is \$815 (\$837 as of January 2020).

There is no minimum weekly maternity benefit.

**Maternity grant:** A lump sum of \$300 per child is paid to each eligible parent.

### Workers' Medical Benefits

The National Health Insurance (NHI) program 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 depending on 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

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 program and collects contributions.

## Work Injury

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

**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

75% of the insured's average weekly covered earnings is paid for up to 26 weeks.

The maximum weekly temporary disability benefit is \$611.25.

### Permanent Disability Benefits

For a total (100%) disability, 75% of the insured's average weekly covered earnings is paid.

The maximum weekly permanent disability benefit is \$611.25.

A medical doctor assesses the degree of disability, according to a schedule in law.

**Partial disability:** For an assessed degree of disability of at least 30% but less than 100%, a percentage of the full permanent disability pension is paid based on the assessed degree of disability; a lump sum is paid for an assessed degree of disability of less than 30%.

A medical doctor assesses the degree of disability every six months.

### 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 spouse's pension ceases upon remarriage or cohabitation.

**Orphan's pension:** 16.7% of the maximum survivor pension is paid to each orphan 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 (Employment Injury Funeral Benefit):** A lump sum of up to \$3,000 is paid to the person who paid for the funeral. The benefit must be claimed within six months of the date of death.

### 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 program 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 payment amount for a full-time employee 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 =  
1.309 Canadian dollars (C\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1927 (old-age assistance); 1937 (blind assistance); and 1954 (disability assistance), implemented in 1955.

**Current laws:** 1951 (universal pension), implemented in 1952 and amended in 1967 (income-based supplement); and 1965 (social insurance), implemented in 1966.

**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 (workers with 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:* 5.1% (gradually increasing to 5.95% by 2023) of annual covered earnings exceeding C\$3,500 if aged 18 to 69 (CPP) or 5.55% (gradually increasing to 6.4% by 2023) of annual covered earnings exceeding C\$3,500 if aged 18 or older (QPP). CPP contributions are voluntary for employed persons aged 65 to 69 who are receiving a CPP old-age pension.

The minimum annual earnings used to calculate contributions are C\$3,500.

The maximum annual earnings used to calculate contributions are C\$57,400.

The minimum annual earnings used to calculate contributions are not adjusted regularly; the maximum annual earnings are adjusted annually based on changes in the average wage across industries.

##### Self-employed person

*Universal and social assistance:* None.

*Social insurance:* 10.2% (gradually increasing to 11.9% by 2023) of covered annual earnings exceeding C\$3,500 if aged 18 to 69 (CPP) or 11.1% (gradually increasing to 12.8% by 2023) of covered annual earnings exceeding C\$3,500 if aged 18 or older (QPP).

The minimum annual earnings used to calculate contributions are C\$3,500.

The maximum annual earnings used to calculate contributions are C\$57,400.

The minimum annual earnings used to calculate contributions are not adjusted regularly; the maximum annual earnings are adjusted annually based on changes in the average wage across industries.

##### Employer

*Universal and social assistance:* None.

*Social insurance:* 5.1% (gradually increasing to 5.95% by 2023) of annual covered payroll exceeding C\$3,500 for each employee aged 18 to 69 (CPP) or 5.55% (gradually increasing to 6.4% by 2023) of annual covered payroll exceeding C\$3,500 for each employee of any age (QPP). Employer contributions to CPP are mandatory for employees aged 65 to 69 receiving a CPP old-age pension who choose to contribute.

The minimum annual earnings used to calculate contributions are C\$3,500.

The maximum annual earnings used to calculate contributions are C\$57,400.

The minimum annual earnings used to calculate contributions are not adjusted regularly; the maximum annual earnings are adjusted annually based on 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 Security pension (OAS, universal, income tested):** Age 65 with at least 10 years of residence in Canada since age 18.

Employment may continue.

**Income test:** The pension of a high-income pensioner (with an annual income exceeding C\$77,580) is subject to recovery. The pension is completely recovered with an annual income of C\$125,937.

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



The universal old-age pension is payable abroad if the beneficiary resided in Canada for at least 20 years since age 18 (for up to six months with less than 20 years of residence).

**Guaranteed income supplement (GIS, income tested):** Paid to an OAS pensioner with an annual income of up to C\$18,408 for a single person and C\$24,336 for a couple (July to September 2019). Income is based on individual income or family income if the pensioner has a spouse or common-law partner (same sex or opposite sex) and does not include the OAS pension.

The guaranteed income supplement is payable abroad for up to six months.

**Old-age allowance (social assistance, income tested):**

Must be aged 60 to 64 with at least 10 years of residence in Canada since age 18, have an annual income up to C\$34,080 (July to September 2019), and have a spouse or common-law partner (same sex or opposite sex) who is receiving the guaranteed income supplement.

The old-age allowance ceases at age 65 and is replaced by the OAS pension and, depending on income, the guaranteed income supplement.

The old-age allowance is payable abroad for up to six months.

**Old-age pension (CPP/QPP, social insurance):** Age 65 with at least one valid annual contribution.

Employment may continue.

Early pension: Age 60 with at least one valid annual contribution.

Employment may continue.

Deferred pension: The pension may be deferred until age 70 with actuarial increase.

**CPP post-retirement benefit/QPP retirement pension supplement:** Paid to a pensioner who continued to work and contribute while receiving the CPP/QPP old-age pension (contributions allowed until age 70 for CPP; no limit for QPP).

**CPP post-retirement disability benefit:** Must be aged 60 to 64, be assessed with a severe and prolonged disability that prevents any substantial gainful occupation, meet the contribution requirement for the CPP disability pension, and have received the CPP old-age pension for more than 15 months.

The social insurance old-age pension is payable abroad.

**Disability pension (CPP/QPP, social insurance):** Must be younger than age 65 and 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, and not be receiving a CPP early old-age pension (or have not received it for more than 15 months). 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 since 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 dependent 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\$5,700 (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\$57,400.

The disability pension ceases at age 65 and is 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 dependent orphans of the deceased younger than age 18 (age 25 if a full-time student for the CPP only).

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 pension (whichever is greatest) is paid.

**Survivor allowance (Allowance for the Survivor, social assistance, income tested):** Paid to a widow(er) aged 60 to 64, with an annual income of up to C\$24,816 (July to September 2019), who has resided in Canada for at least 10 years since age 18.

The survivor allowance ceases upon remarriage or entering into a common-law relationship lasting at least one year.

The survivor allowance ceases at age 65 and is replaced by the Old-Age Security pension and, depending on the survivor's income, the guaranteed income supplement.

The survivor allowance is payable abroad for up to six months.

**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 since age 18 to the month of death, and at least three years of contributions.

The death benefit is payable abroad.

### Old-Age Benefits

**Old-Age Security pension (OAS, universal, income tested):** The pension is 0.025 times the maximum monthly pension for each year of residence in Canada since age 18, up to 40 years.

The maximum monthly pension is C\$607.46 (July to September 2019).

**Income test:** The pension of a high-income pensioner (with annual net income exceeding C\$77,580) is subject to recovery (the pension is reduced by 15% of annual net income in excess of the threshold). The pension is completely recovered with an annual net income of C\$126,058.

**Deferred pension:** The pension is increased by 0.6% for each month it is deferred after age 65 until age 70.

**Guaranteed income supplement (GIS, income tested):** Up to C\$907.30 (if single or if married or partnered to someone not receiving an Old-Age Security pension) or C\$546.17 (if married or partnered to someone receiving an Old-Age Security pension) a month is paid, depending on annual income (combined annual income if married or partnered).

**Benefit adjustment:** Benefits are adjusted quarterly based on changes in the consumer price index.

**Old-age allowance (social assistance, income tested):**

Up to C\$1,153.63 (July to September 2019) a month is paid.

**Benefit adjustment:** Benefits are adjusted quarterly based on changes in the consumer price index.

**Old-age pension (CPP/QPP, social insurance):** The benefit is the sum of two components: a basic pension of 25% of the insured's lifetime average monthly pensionable earnings and an enhanced pension of 8.33% of the insured's first additional monthly pensionable earnings. (Another component will be introduced in January 1, 2024.)

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, age 70, or the date of 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. Months of contributions made after age 65 may be used to replace earlier periods of lower earnings or disregarded.

The first additional monthly pensionable earnings are the insured's best 480 months (40 years) of covered earnings from age 18 or January 1, 2019, whichever is later, to the date the pension is claimed, age 70, or the date of death, whichever is earlier, divided by 480. Months in which the insured was caring for a child younger than age 7 will be credited based on the insured's average earnings in the five years before the childbirth or adoption. Months in which the insured was receiving a disability benefit will be credited based on 70% of the insured's average earnings in the six years before the disability began.

The maximum monthly old-age pension (with 39 years of contributions) is C\$1,154.58.

**Early pension:** The pension is reduced by 0.6% for each month it is claimed before age 65, up to 36%.

**Deferred pension:** The pension is increased by 0.7% for each month it is deferred after age 65, up to 42%.

**CPP post-retirement benefit/QPP retirement pension supplement:** Up to an additional 1/40th of the maximum monthly pension (CPP) or 0.5% of the insured's annual covered earnings from the previous year (QPP) is paid for each year the pensioner continued to work and contribute.

**CPP post-retirement disability benefit:** An additional C\$496.36 a month is paid.

Pension credits accumulated by spouses or common-law partners (same sex or opposite sex) during marriage or cohabitation may be shared between them (divided equally in case of divorce or separation).

**Benefit adjustment:** Benefits are automatically adjusted in January of each year based on 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\$496.36 (CPP) or C\$496.33 (QPP) plus 75% of the social insurance old-age pension.

The maximum monthly disability pension is C\$1,362.30 (CPP) or C\$1,362.27 (QPP).

**Child's benefit:** A flat-rate benefit of C\$250.27 (CPP) or C\$79.46 (QPP) a month is paid for each eligible child.

**Benefit adjustment:** Benefits are automatically adjusted in January of each year based on 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\$692.75 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\$193.66, up to C\$626.63 a month, to a widow(er) or common-law partner younger than age 65.

A widow(er) or common-law spouse 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\$1,154.58, if the widow(er) combines old-age and survivor's pensions, or maximum monthly disability pension of C\$1,362.30, if the widow(er) combines disability and survivor's pensions.

**Survivor's pension (QPP):** Up to C\$692.75 a month is paid to a widow(er) or common-law spouse aged 65 or older who is not receiving any other QPP or CPP pension; up to C\$929.30 if aged 45 to 64 or disabled; up to C\$893.82 if younger than age 45, not disabled, and caring for a

dependent child; up to C\$560.09 if younger than age 45, not disabled, and has no dependent children.

**Orphan's benefit (CPP/QPP):** C\$250.27 a month is paid for each eligible orphan.

**Benefit adjustment:** Benefits are automatically adjusted in January of each year based on changes in the consumer price index.

**Survivor allowance (Allowance for the Survivor, social assistance, income tested):** Up to C\$1,375.17 a month (July to September 2019) is paid to an eligible widow(er).

**Benefit adjustment:** Benefits are revised quarterly based on changes in the consumer price index.

**Death benefit (CPP/QPP, social insurance):** A lump sum of C\$2,500 is paid.

**Benefit adjustment:** The benefit amount is not indexed.

### 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 Ministry of Finance (<http://www.finances.gouv.qc.ca/>) supervises the social insurance (QPP) program.

Quebec Department of Revenue (<http://www.revenuquebec.ca/>) collects contributions for the social insurance (QPP) program.

Quebec Pension Board (<http://www.retraitequebec.gouv.qc.ca/>) administers the social insurance (QPP) program.

### Sickness and Maternity

#### Regulatory Framework

**First laws:** 1957 (hospital services); 1966 (hospital and physician services), implemented in 1968; and 1971 (cash sickness and maternity benefits).

**Current laws:** 1984 (hospital and physician services), implemented in 1985; 1996 (cash sickness, maternity, and parental benefits); and 2005 (Quebec maternity and parental benefits), implemented in 2006.

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

**Note:** The province of Quebec administers Cash maternity, paternity, adoption, and parental benefits for eligible resident through the Quebec Parental Insurance Plan (QPIP). The QPIP benefits replace similar benefits provided under the federal Employment Insurance program.

### 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 and self-employed persons residing in Quebec.

**Universal (medical benefits):** Residents of Canada. Coverage is portable when insured residents move from one province/territory to another 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 0.526% of covered earnings.

An insured person with annual earnings of C\$2,000 or less is eligible for a full refund of his or her contributions.

The maximum annual earnings used to calculate contributions in Quebec are C\$76,500, adjusted annually.

**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):** 0.934% 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\$76,500, adjusted annually.

**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 0.736% of covered payroll.

There are no minimum earnings used to calculate contributions. The maximum annual earnings used to calculate contributions in Quebec are C\$76,500, adjusted annually.

*Universal (medical benefits):* Contributions vary by province/territory.

### Government

*Social insurance (EI/QPIP, cash benefits):* None; contributes as an employer.

*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. The 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 (whichever period is shorter), have at least a 40% reduction in weekly earnings, and have exhausted employer-paid sick leave.

Self-employed persons who are voluntarily enrolled must have at least one year of contributions and have earned at least C\$7,121 in 2018 for claims paid in 2019 (at least C\$3,760 in the previous 31 weeks for self-employed fishermen).

Family supplement (income tested): Paid to a family with a net annual income up to C\$25,921, with at least one dependent child younger than age 18, and receiving a Canada Child Benefit (see Family Allowances).

**Cash maternity benefit (EI, social insurance):** Paid to an insured woman who is away from work because of pregnancy or childbirth. Must have at least 600 hours of covered employment in the 52 weeks before the claim is made or since the last claim (whichever period is shorter) and have at least a 40% reduction in weekly earnings.

Self-employed persons who are voluntarily enrolled must have at least one year of contributions and have earned at least C\$7,121 in 2018 for claims paid in 2019 (at least C\$3,760 in the previous 31 weeks for self-employed fishermen).

Family supplement (income tested): Paid to a family with a net annual income up to C\$25,921, with at least one dependent child younger than age 18, and receiving a Canada Child Benefit (see Family Allowances).

**Cash parental benefit (EI, social insurance):** Paid to an insured mother or father who is away from work to care for a newborn or newly adopted child. Must have at least 600 hours of covered employment in the 52 weeks before the claim is made or since the last claim (whichever period is shorter), and have at least a 40% reduction in weekly earnings.

The parental benefit is paid to one parent or may be shared between both parents if they are both eligible.

Self-employed persons who are voluntarily enrolled must have at least one year of contributions and have earned at least C\$7,121 in 2018 for claims paid in 2019 (at least C\$3,760 in the previous 31 weeks for self-employed fishermen).

Family supplement (income tested): Paid to a family with a net annual income up to C\$25,921, with at least one dependent child 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 covered income of at least C\$2,000 in the last 52 weeks (104 weeks under certain conditions; for self-employed persons, the calendar year) and have ceased working or have at least a 40% reduction in earnings (for self-employed persons, 40% reduction in time spent working). The mother, the father, or both parents may be eligible for parental benefits. The paternity benefit is 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 (whichever period is shorter), 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 voluntarily enrolled must have at least one year of contributions and have earned at least C\$7,121 in 2018 for claims paid in 2019 (at least C\$3,760 in the previous 31 weeks for self-employed fishermen).

Family supplement (income tested): Paid to a family with a net annual income up to C\$25,921, with at least one dependent child 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 (whichever period is shorter), and have at least a 40% reduction in weekly earnings.

Self-employed persons who are voluntarily enrolled must have at least one year of contributions and have earned at least C\$7,121 in 2018 for claims paid in 2019 (at least C\$3,760 in the previous 31 weeks for self-employed fishermen).

Family supplement (income tested): Paid to a family with a net annual income up to C\$25,921, with at least one dependent child younger than age 18, and receiving a Canada Child Benefit (see Family Allowances).

**Medical benefits (physician and hospital services, universal):** Generally, the insured must have three months of



residence in the province/territory where he or she resides. When the insured moves from one province/territory to another, the former province/territory 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 up to 15 weeks.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings (depending on the regional unemployment rate) in the last 52 weeks or since the last claim (whichever period is shorter).

The maximum weekly sickness benefit is C\$562.

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 ages of the eligible children.

**Maternity benefit (EI, social insurance):** 55% of the insured's average weekly covered 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 (depending on the regional unemployment rate) in the last 52 weeks or since the last claim (whichever period is shorter).

The maximum weekly maternity benefit is C\$562.

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 ages of the eligible children.

**Parental benefit (EI, social insurance):** The insured parents must choose between 55% of average weekly covered earnings paid for a shared total of up to 40 weeks (up to 35 weeks if taken by only one parent) or 33% of average weekly covered earnings paid for a shared total of up to 69 weeks (up to 61 weeks 35 weeks if taken by only one parent). Once a choice is made by one parent, it applies to all subsequent claims related to the child.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings (depending on the regional unemployment rate) in the last 52 weeks or since the last claim (whichever period is shorter).

The maximum weekly parental benefit is C\$562; the maximum weekly extended parental benefit is C\$377.

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 ages of the eligible children.

**Maternity, paternity, adoption, and parental benefits (QPIP, social insurance):** The insured must choose between the basic or special plan. Once a choice is made by

one parent, it applies to all subsequent claims related to the child.

**Basic plan:** The maternity benefit is 70% of the insured's average weekly covered earnings paid for 18 weeks; the paternity benefit is 70% of the insured's average weekly covered earnings paid for five weeks; the parental benefit is 70% of the insured's average weekly covered earnings paid for seven weeks followed by 55% of average weekly covered earnings paid for 25 weeks; and the adoption benefit is 70% of average weekly covered earnings paid for 12 weeks followed by 55% of average weekly covered earnings paid for 25 weeks.

Average weekly covered earnings are based on the insured's last 26 weeks of earnings in the qualifying period (or total earnings in the period worked if less than 26 weeks, but the minimum divisor for calculating the average is 16).

**Special plan:** The maternity benefit is 75% of the insured's average weekly covered earnings paid for 15 weeks; the paternity benefit is 75% of average weekly covered earnings paid for three weeks; the parental benefit is 75% of average weekly covered earnings paid for 25 weeks; and the adoption benefit is 75% of average weekly covered earnings paid for 28 weeks.

Average weekly covered earnings are based on the insured's last 26 weeks of earnings in the qualifying period (or total earnings in the period worked if less than 26 weeks, but the minimum divisor for calculating the average is 16).

**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 up to 26 weeks.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings (depending on the regional unemployment rate) in the 52 weeks before the claim is made or since the last claim (whichever period is shorter).

The maximum weekly compassionate care benefit is C\$562.

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 ages of the eligible children.

**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 (for the care of an adult) or up to 35 weeks (for the care of a child younger than age 18).

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings (depending on the regional unemployment rate) in the 52 weeks before the claim is made or since the last claim (whichever period is shorter).

The maximum weekly family caregiver benefit is C\$562.



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 ages of the eligible children.

### **Workers' Medical Benefits**

**Physician services:** Benefits include general medical and maternity care, and surgical, specialist, and laboratory services provided by recognized medical practitioners and deemed to be medically required. Provinces and territories, in consultation with the medical professionals and medical associations, determine which services are medically required. Provincial and territorial authorities pay providers directly based on predetermined formulas and agreed-upon fee schedules.

**Hospital services:** Benefits include inpatient and outpatient care at a hospital, where services are medically necessary for the purpose of maintaining health, preventing disease, or diagnosing or treating an injury, illness, or disability. Services include standard ward care, necessary nursing, pharmaceuticals provided in the hospital, diagnostic and therapeutic services, and dental surgeries performed in a hospital. Provincial authorities pay providers directly based on predetermined formulas and agreed-upon fee schedules.

**Additional services:** In some provinces/territories, benefits may include medical devices and supplies, non-surgical dental services, and optometric services. Coverage for these services may be targeted to specific groups (such as children, seniors, or social assistance recipients).

Some cost sharing may be required.

Emergency care in another province or abroad is paid at the rate of the person's home province.

### **Dependents' Medical Benefits**

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 and territorial 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, in conjunction with physicians in their jurisdictions, which medical and hospital services are medically necessary.

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.

Canada Revenue Agency (<https://www.canada.ca/en/revenue-agency.html>) collects contributions 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/>), under the Ministry of Labor, Employment, and Solidarity (<https://www.mtess.gouv.qc.ca/>), administers maternity and parental benefits in Quebec.

Quebec Department of Revenue (<https://www.revenuquebec.ca/>) collect contributions for maternity and parental benefits in Quebec.

## **Work Injury**

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### **Regulatory Framework**

**First and current laws:** 1908 (Newfoundland and Labrador), 1915 (Nova Scotia), 1915 (Ontario), 1916 (British Columbia), 1916 (Manitoba), 1917 (Yukon), 1918 (New Brunswick), 1918 (Alberta), 1928 (Quebec), 1930 (Saskatchewan), 1949 (Prince Edward Island), 1974 (Northwest Territories), 1974 (Nunavut), and 1918 (Federal Public Service Employees).

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

### **Coverage**

Employed persons.

Voluntary coverage is available for self-employed persons.

Exclusions: Self-employed persons and certain employees in excluded or exempted activities (which vary by province/territory).

### **Source of Funds**

**Insured person:** None.

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

**Employer:** The total cost is financed through contributions that vary by province/territory, industry, and the assessed degree of risk. In some provinces and territories, certain employers may self-insure.

Depending on the province/territory, the average employer assessment rate per C\$100 of payroll ranges from C\$0.95 to C\$2.65. (Different assessment methods are used by provincial and territorial authorities, including the 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 annual covered earnings used to calculate contributions varies by province/territory, from C\$55,000 to C\$127,000.

**Government:** None; contributes as an employer (self-insured).

### Qualifying Conditions

Must be assessed with a work injury or occupational disease.

### Temporary Disability Benefits

**Temporary disability benefits (Workers' Compensation):** 75% to 90% of the insured's net covered earnings is paid, depending on province/territory.

The maximum annual covered earnings used to calculate benefits varies by province/territory and ranges from C\$55,000 to C\$127,000.

The minimum weekly benefit varies by province/territory, up to C\$546.19 (2015 information).

The maximum weekly benefit varies by province/territory and ranges from C\$611.58 to C\$1,362.08 (2015 information).

### Permanent Disability Benefits

**Permanent disability pension (Workers' Compensation):** 80% to 90% of the insured's net covered earnings is paid for a full disability, depending on province/territory.

The permanent disability pension ceases at the normal retirement age or is replaced by an old-age pension, depending on the province/territory.

The maximum annual covered earnings used to calculate benefits varies by province/territory, from C\$55,000 to C\$127,000.

The minimum monthly benefit varies depending on province/territory, up to C\$2,124.74 (2015 information).

The maximum monthly benefit varies depending on province/territory, up to C\$5,901.89 (2015 information).

Partial disability: A percentage of the total disability pension is paid based on the assessed loss of earning capacity.

### Workers' Medical Benefits

Benefits include medical, surgical, nursing, and hospital services; medicine; and appliances.

### Survivor Benefits

#### Survivor pension

*Spouse's pension:* The pension varies by province/territory and is adjusted 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 by province/territory, up to C\$1,105.63 (2015 information).

The maximum monthly spouse's pension varies by province/territory, up to C\$5,215.70 (2015 information).

*Orphan's pension:* Depending on the province/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/territory, the benefit level is either the same as the orphan's pension or is determined by the provincial and territorial workers' compensation board.

**Funeral grant:** The grant paid varies by province/territory.

The minimum funeral grant ranges from C\$0 to C\$2,950.

The maximum funeral grant ranges from C\$5,000 to no maximum.

### Administrative Organization

Workers' Compensation Boards in each province/territory collect contributions, adjudicate claims, and provide compensation and benefits.

Federal Workers' Compensation Service ([www.canada.ca/en/employment-social-development/services/health-safety/compensation.html](http://www.canada.ca/en/employment-social-development/services/health-safety/compensation.html)), in partnership with provincial workers' compensation boards, administer work injury benefits for federal public service employees.

## 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.

### Source of Funds

**Insured person:** 1.62% of covered earnings; 1.25% of covered earnings in the province of Quebec. Premiums are adjusted annually.

The maximum annual earnings used to calculate contributions are C\$53,100. The ceiling is adjusted annually.

An insured person with annual 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 cash sickness and maternity benefits (in the province of Quebec, the

## Canada

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insured person's contributions finance certain cash sickness and maternity benefits).

**Self-employed person:** 1.62% of covered earnings. Premiums are adjusted annually.

The insurable earnings of a self-employed fishermen are the amounts paid or payable to the fishermen from the sale of a catch.

**Employer:** 2.268% of covered payroll; 1.75% of covered payroll in the province of Quebec. Premiums are adjusted annually.

The maximum annual earnings used to calculate contributions are C\$53,100. The ceiling is adjusted annually.

The employer's contributions also finance cash sickness and maternity benefits (in the province of Quebec, the insured person's contributions finance certain cash sickness and maternity benefits).

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

### Qualifying Conditions

**Unemployment benefits (EI regular benefits and EI fishing benefits):** Must have at least 420 to 700 hours (depending on the regional unemployment rate) of covered employment in the last 52 weeks or since the last claim (whichever period is shorter); and be able to provide proof of being available for and actively seeking work. Fishermen must have earnings from C\$2,500 to C\$4,200, depending on the 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 a family with net annual income up to C\$25,921, with at least one dependent child younger than age 18, and who are receiving a Canada Child Benefit (see Family Allowances).

### Unemployment Benefits

**Unemployment benefits (EI regular benefits and EI fishing benefits):** 55% of the insured's average weekly covered earnings is paid after a one-week waiting period for up to 14 to 45 weeks, depending on the number of hours worked in the qualifying period and the regional unemployment rate where the insured resides. For fishermen, the maximum duration of benefits is 26 weeks and fishermen can accumulate up to two claims per year.

Average weekly covered earnings are based on the insured's best 14 to 22 weeks of earnings (depending on the regional unemployment rate) in the qualifying period. For fishermen, average weekly covered earnings are calculated based on the insured's total earnings from fishing in the qualifying period, the insured's earnings from other employment in the qualifying period, and the regional unemployment rate.

The maximum weekly unemployment benefit is C\$562.

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 ages of the eligible children.

### Administrative Organization

Canada Employment Insurance Commission (<https://www.canada.ca/en/employment-social-development/corporate/portfolio/ei-commission.html>) reviews regulations and benefit rates.

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, implemented in 1945.

**Current laws:** 2016 (amendment to the 1985 Income Tax Act).

**Type of program:** Universal (benefit administered through the tax system).

#### Coverage

Families with children younger than age 18, 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 younger than age 18 who lives with the primary caregiver. The primary caregiver or his or her spouse or common-law partner (same sex or opposite sex) must be one of the following: a citizen of Canada, an Indian within the meaning of the Indian Act, a permanent resident, a temporary resident (subject to limitations), or a 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: The full benefit is paid with adjusted family net annual income up to C\$31,120. Above this income level, the benefit decreases as income increases. The rate of decrease varies depending on the household income and number of eligible children.

Child disability supplement (income tested): Paid for children with severe disabilities.

Income test: The full supplement is paid with adjusted family net annual income up to C\$67,426. Above this income level, the supplement decreases as income increases. The rate of decrease varies depending on the number of eligible children.

### ***Family Allowance Benefits***

**Canada Child Benefit (income tested):** Up to C\$6,639 a year (C\$553.25 a month) is paid for each eligible child younger than age 6; up to C\$5,602 a year (C\$466.83 a month) for each eligible child aged 6 to 17. The benefit is delivered through the income tax system.

Income test: The full benefit is paid with adjusted family net annual income up to C\$31,120. Above this income level, the benefit decreases as income increases. The rate of decrease varies depending on the household income and number of eligible children.

Child disability supplement (income tested): Up to C\$2,832 a year is paid for each eligible child.

Income test: The full supplement is paid with adjusted family net annual income up to C\$67,426. Above this income level, the supplement decreases as income increases. The rate of decrease varies depending on the number of eligible children.

### ***Administrative Organization***

Canada Revenue Agency (<https://www.canada.ca/en/revenue-agency.html>) administers the benefit.

## Chile

Exchange rate: US\$1.00 = 678.80 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1924 (social insurance).

**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.

Note: A 2019 law introduced mandatory social security contributions for certain self-employed persons with annual incomes of at least five times the legal monthly minimum wage. Until 2028, covered self-employed persons can choose to make partial contributions for access to a reduced benefit package. Provisions included below summarize the comprehensive benefit package for self-employed persons.

#### Coverage

**Social insurance:** Wage earners, salaried employees, and self-employed persons with earnings less than three times the legal monthly minimum wage who paid social insurance contributions before January 1, 1983 and opted to remain in the social insurance program.

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

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 self-employed persons issuing professional service invoices with annual covered incomes of at least the legal monthly minimum wage.

Voluntary coverage for workers covered by the social insurance program before January 1, 1983 and self-employed persons with annual covered incomes less than the legal monthly minimum wage.

The self-employed person's annual covered income is 80% of his or her gross income in the previous year.

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

**Social assistance and universal child benefit:** Residents of Chile.

#### Source of Funds

##### Insured person

**Social insurance:** 18.84% of covered earnings for wage earners; 20% to 30% of covered earnings for salaried employees, depending on the occupation.

The maximum monthly earnings used to calculate contributions are 60 UFs (Unidad de Fomento). The ceiling is adjusted annually based on changes in real wages in the previous year.

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

**Mandatory individual account:** 10% of monthly covered earnings (old age) plus an average of 1.25% (administrative fees). Persons working under arduous conditions contribute an additional 1% or 2% of monthly 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 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

The maximum monthly earnings used to calculate contributions are 79.2 UFs (Unidad de Fomento). The ceiling is adjusted annually based on changes in real wages in the previous year.

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

**Social assistance and the universal child benefit:** None.

##### Self-employed person

**Social insurance:** 18.84% of covered income.

The minimum monthly income used to calculate contributions is the legal monthly minimum wage.

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

The maximum monthly income used to calculate contributions is 60 UFs (Unidad de Fomento).

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

**Mandatory individual account:** 3.04% (increasing to 10% by 2028) of covered income (old age and administrative fees) plus 1.53% (disability and survivor).

The self-employed person's annual covered income is 80% of his or her gross income in the previous year.



The minimum annual covered income used to calculate contributions is the legal monthly minimum wage.

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

The maximum annual income used to calculate contributions is 878.4 UFs (Unidad de Fomento).

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

*Social assistance and the universal child benefit:* None.

### Employer

*Social insurance:* None.

*Mandatory individual account:* 1.53% of payroll (disability and survivor); employers of persons working under arduous conditions contribute an additional 1% or 2% of monthly covered payroll (old age), depending on the occupation.

The maximum monthly earnings used to calculate contributions are 79.2 UFs. The ceiling is adjusted annually based on changes in real wages in the previous year.

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

*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 (APSV), and disability solidarity top-up benefit (APSI); subsidizes contributions for young workers (50% of monthly contributions for earnings less than the minimum monthly earnings) for the first 24 months of contributions; and contributes as an employer.

*Social assistance and the universal child benefit:* The total cost.

### Qualifying Conditions

**Old-age pension (Pensión de Vejez, 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); for salaried employees, age 65 (men) or age 60 (women) with at least 10 years of contributions.

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 every five years of work under arduous conditions, up to five years (10 years for workers in mining or smelting).

Employment may continue for wage earners; salaried employees must cease all gainful activity.

Child supplement: Paid for the dependent children of a salaried woman who has at least 20 years of contributions; no contribution requirement for widows.

The social insurance old-age pension is payable abroad.

**Old-age pension (Pensión de Vejez, 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 every five years of work under arduous conditions, depending on the occupation, up to 10 years.

Early pension (Pensión anticipada): At any age if the individual account balance is sufficient to finance a pension of at least 70% of the insured's average monthly covered earnings in the last 10 years and 80% of the monthly 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 (APSV). The monthly PMAS is 325,646 pesos.

Recognition bond (Bono de reconocimiento): 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 in the mandatory individual account program.

Guaranteed minimum old-age pension (Pensión de vejez mínima garantizada): Age 65 (men) or age 60 (women) with at least 20 years of contributions whose sum of pensions, earnings, and other income is less than the minimum monthly old-age pension.

The minimum monthly old-age pension is 138,585.79 pesos if younger than age 70; 151,532.91 pesos if aged 70 to 75; or 161,680.50 pesos if older than age 75.

The guaranteed minimum old-age pension is being phased out and replaced by the old-age solidarity top-up benefit (APSV) by 2023. Until then, there is a choice between the two benefits for persons who received the guaranteed minimum old-age pension before July 1, 2008, and those aged 50 or older and affiliated with a pension fund management company (AFP) on July 1, 2008.

The individual account old-age pension is payable abroad.

**Old-age solidarity top-up benefit (Aporte Previsional Solidario de Vejez [APSV], social assistance, means tested):** Age 65 and a resident of Chile for at least 20 years since age 20, including four of the last five years.

Means test: The beneficiary's monthly base pension (individual account or social insurance old-age pension plus any work-injury survivor pension received) must be less than the monthly PMAS, and the beneficiary's family must be among the poorest 60% of the population as assessed

through the Social Security Targeting Score (Puntaje de Focalización Previsional).

The PMAS is the lowest value of the old-age pension before qualifying for the old-age solidarity top-up benefit. The monthly PMAS is 325,646 pesos.

The Social Security Targeting Score compiles information on household composition, needs, and income, which is provided by the Ministry of Social Development, the Internal Revenue Service, and the Superintendence of Pensions.

**Old-age solidarity pension (Pensión Básica Solidaria de Vejez [PBSV], social assistance, means tested):**

Age 65; a resident of Chile for at least 20 years since age 20, including at least four of the last five years; and does not meet the contribution requirements for any other pension.

Means test: The beneficiary's family must be among the poorest 60% of the population as assessed through the Social Security Targeting Score (Puntaje de Focalización Previsional).

The Social Security Targeting Score compiles information on household composition, needs, and income, which is provided by the Ministry of Social Development, the Internal Revenue Service, and the Superintendence of Pensions.

**Child benefit (Bono por Hijo, universal):** Paid to a woman aged 65 or older who has been a resident of Chile for at least 20 years since age 20, including at least four of the last five years; who gave birth to or adopted at least one child in her lifetime; and receives an old-age solidarity pension, an old-age solidarity top-up benefit, or a survivor pension; or who retired on or after July 1, 2009, and is affiliated with a pension fund management company (AFP).

**Winter grant (Bono de Invierno, social assistance, income tested):** Must be aged 65 or older and receive a monthly old-age pension 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 161,680.50 pesos.

**Golden wedding anniversary grant (Bono Bodas de Oro, social assistance, income tested):** Paid to a couple married for at least 50 years who has 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 couple's 50th anniversary.

Income test: The couple's household income must be in one of the lowest four income quintiles.

**Disability pension (Pensión de Invalidez, social insurance):** For wage earners, must have been younger than age 65 (men) or age 60 (women) when the disability began; be assessed with a total (at least a 70% loss of earning capacity) or partial (30% to 69% loss of earning capacity); and have at least 50 weeks of contributions, including at least 40% of the weeks in the last five years and at least 50% of the weeks since coverage began (women and men with at least 400 weeks of coverage are exempt from this

last requirement). For salaried employees, must be younger than age 65 (men) or age 60 (women), 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.

Child supplement: Paid for the dependent children of a salaried woman.

The social insurance disability pension is payable abroad.

**Disability pension (Pensión de Invalidez, mandatory individual account):** Must be younger than the normal retirement age 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 (voluntarily insured and self-employed persons must also have contributed in the month immediately before the disability began).

Partial disability: Must be younger than the normal retirement age 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 (Pensión de invalidez mínima garantizada): Paid to persons who received the guaranteed minimum pension or a disability pension on July 1, 2008, or who were aged 50 or older and affiliated with a pension fund management company (AFP) on July 1, 2008. The insured's disability pension must be less than the minimum monthly disability pension.

The minimum monthly disability pension is 138,585.79 pesos if younger than age 70; 151,532.91 pesos if aged 70 to 75; or 161,680.50 pesos if older than age 75.

The guaranteed minimum disability pension is being phased out and replaced by the disability solidarity top-up benefit (APSI) by 2023. Until then, there is a choice between the two benefits for persons who received the guaranteed minimum disability pension before July 1, 2008, and those aged 50 or older and affiliated with an AFP on July 1, 2008.

The individual account disability pension is payable abroad.

**Disability solidarity top-up benefit (Aporte Previsional Solidario Invalidez [APSI], social assistance, means tested):** Must be aged 18 to 64, a resident of Chile for at least five of the last six years, and assessed with a disability.

Means test: The beneficiary's base pension (individual account or social insurance disability pension plus any

survivor benefits) of less than the disability solidarity pension, and the beneficiary's family must be among the poorest 60% of the population as assessed through the Social Security Targeting Score (Puntaje de Focalización Previsional).

The monthly disability solidarity pension is 110,201 pesos.

The Social Security Targeting Score compiles information on household composition, needs, and income, which is provided by the Ministry of Social Development, the Internal Revenue Service, and the Superintendence of Pensions.

**Disability solidarity pension (Pensión Básica Solidaria de Invalidez [PBSI], social assistance, means tested):** Must be 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.

Means test: The beneficiary's family must be among the poorest 60% of the population as assessed through the Social Security Targeting Score (Puntaje de Focalización Previsional).

The Social Security Targeting Score compiles information on household composition, needs, and income, which is provided by the Ministry of Social Development, the Internal Revenue Service, and the Superintendence of Pensions.

**Survivor pension (Pensión de Sobrevivientes, social insurance):** For a deceased 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 at least 50% of the weeks since coverage began (women are exempt from this last requirement). For a deceased 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; orphans 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.

Remarriage settlement: Paid to a widow younger than age 55 who remarries.

The social insurance survivor pension is payable abroad.

**Survivor pension (Pensión de Sobrevivencia, 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; orphans 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 individual account survivor pension is payable abroad.

**Funeral grant (Asignación por Muerte, social insurance and social assistance):** Paid to the person who pays for the funeral of the insured worker or pensioner.

The social insurance and social assistance funeral grants are payable abroad.

**Funeral grant (Cuota Mortuoria, mandatory individual account):** Paid to the person who pays for the funeral of the insured worker or pensioner.

The individual account funeral grant is payable abroad.

### Old-Age Benefits

**Old-age pension (Pensión de Vejez, social insurance):** For wage earners, the monthly pension is 50% of the insured's base wage plus 1% of the base wage for every 50 weeks of contributions exceeding 500 weeks; for salaried employees, the monthly pension is 1/35 of the insured's base salary multiplied by the number of years of contributions.

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.

Child supplement: 1/35 of the insured's base salary is paid for each eligible child; 2/35 of the base salary if the insured is a widow.

The minimum monthly old-age pension is 138,585.79 pesos if younger than age 70; 151,532.91 pesos if aged 70 to 75; or 161,680.50 pesos if older than age 75.

Benefit adjustment: Benefits are adjusted automatically each year based on 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 (Pensión de Vejez, 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 (Bono de reconocimiento): 12 times the insured's monthly earnings before July 1979 plus 4% accrued annual interest is deposited into the individual account in the month after the insured reaches the normal retirement age.

Guaranteed minimum old-age pension (Pensión de vejez mínima garantizada): 138,585.79 pesos a month is paid if the insured is younger than age 70; 151,532.91 pesos a month if aged 70 to 75; or 161,680.50 pesos a month if older than age 75.

Benefit adjustment: Benefits are adjusted automatically based on changes in the consumer price index.



**Old-age solidarity top-up benefit (Aporte Previsional Solidario de Vejez [APSV], social assistance, means tested):** The monthly pension is the difference between the basic solidarity pension and the value of the base pension (old-age pension plus any survivor benefits received) multiplied by an adjustment factor.

The basic monthly solidarity pension is 110,201 pesos.

The adjustment factor is the basic monthly solidarity pension divided by the monthly PMAS (Pensión máxima con aporte solidario). (The adjustment factor is currently 33.8%.)

The PMAS is the lowest value of the old-age pension before qualifying for the old-age solidarity top-up benefit. (The monthly PMAS is currently 325,646 pesos.)

**Benefit adjustment:** Benefits are adjusted automatically each year based on 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):** 110,201 pesos a month is paid.

**Benefit adjustment:** Benefits are adjusted automatically each year based on 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 (Bono por Hijo, 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 in 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 the 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 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

**Winter grant (Bono de Invierno, social assistance, income tested):** 62,791 pesos a year is paid in May.

**Benefit adjustment:** Benefits are adjusted automatically each year.

**Golden wedding anniversary grant (Bono Bodas de Oro, social assistance, income tested):** A lump sum of 321,474 pesos (160,737 pesos per spouse) is paid.

**Benefit adjustment:** Benefits are adjusted automatically each year.

## **Permanent Disability Benefits**

**Disability pension (Pensión de Invalidez, 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 weeks of contributions exceeding 500 weeks for wage earners; for salaried employees, the monthly pension is 70% of the insured's base salary plus 2% of the base salary for each year of contributions exceeding 20 years. For a partial disability, 50% of the total disability pension is paid for wage earners and 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.

The minimum monthly disability pension is 138,585.79 pesos if younger than age 70; 151,532.91 pesos if aged 70 to 75; or 161,680.50 pesos if older than age 75.

**Child supplement:** 1/35 of the insured's base salary (1/30 for civil servants) is paid for each eligible child; 2/35 of the base salary (2/30 for civil servants) if the insured is a widow.

**Benefit adjustment:** Benefits are adjusted automatically each year based on 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 (Pensión de Invalidez, 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 insured's pension fund management company (AFP) pays the benefit through an insurance policy covering 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 after three years 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 (Pensión de invalidez mínima garantizada):** 138,585.79 pesos is paid if younger than age 70; 151,532.91 pesos if aged 70 to 75; or 161,680.50 pesos if older than age 75.

**Benefit adjustment:** Benefits are adjusted automatically based on changes in the consumer price index.

**Disability solidarity top-up benefit (Aporte Previsional Solidario Invalidez [APSI], social assistance, means tested):** The difference between the insured's monthly base pension (old-age pension plus any survivor benefits received) and the monthly disability solidarity pension is paid.

The monthly disability solidarity pension is 110,201 pesos.

Benefit adjustment: Benefits are adjusted automatically each year based on 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 (Pensión Básica Solidaria de Invalidez [PBSI], social assistance, means tested):** 110,201 pesos a month is paid.

Benefit adjustment: Benefits are adjusted automatically each year based on 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 (Pensión de Sobrevivientes, social insurance)**

*Spouse's pension (Pensión de cónyuge):* 60% of the deceased's base wage or salary or of the social insurance 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.

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 75,226.83 pesos if younger than age 70; 96,899.69 pesos if aged 70 or older.

The minimum monthly spouse's pension without children is 89,933.16 pesos if younger than age 70; 112,214.13 pesos if aged 70 or older.

Remarriage settlement (Dote matrimonial): A widow younger than age 55 receives a lump sum of two years of the pension.

*Orphan's pension (Pensión de orfandad):* 20% of the base wage or salary or of the social insurance old-age or disability pension the deceased received or was entitled to receive, whichever is greater, is paid to each eligible orphan.

The minimum monthly orphan's pension 20,787.87 pesos.

Benefit adjustment: Benefits are adjusted automatically each year based on 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 (Pensión de Sobrevivencia, mandatory individual account)**

*Spouse's pension (Pensión de cónyuge):* 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 69,292.91 pesos if younger than age 70; 75,766.45 pesos if aged 70 to 75; or 80,840.25 pesos if older than age 75.

The minimum monthly spouse's pension without children is 83,151.47 pesos if younger than age 70; 90,919.74 pesos if aged 70 to 75; or 97,008.31 pesos if older than age 75.

*Orphan's pension (Pensión de hijo):* 15% of the individual account old-age or disability pension the deceased received or was entitled to receive is paid to each eligible 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 20,787.87 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 based on 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 based on changes in the consumer price index.

**Funeral grant (Asignación por Muerte, 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 194,164 pesos (March 2019).

**Funeral grant (Cuota Mortuaria, mandatory individual account):** A lump sum of 15 UFs is paid (from the deceased's individual account or the private insurer if the insured purchased a life annuity) to the relative who paid for the funeral expenses.



The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

### **Administrative Organization**

Ministry of Labor and Social Security is responsible for policy development.

Superintendent of Pensions (<http://www.spensiones.cl/>), under the Ministry of Labor and Social Security, provides general supervision.

Individual pension fund management companies (AFPs) administer individual accounts and collect contributions.

Social Security Institute (<http://www.ips.gob.cl/>) administers the social insurance and social assistance programs.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1924 (social insurance).

**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); 2015 (health insurance contributions eliminated for pensioners); and 2017 (mandatory insurance for sick child leave).

**Type of program:** Social insurance (cash and medical benefits), mandatory private insurance (cash and medical benefits), and employer-liability (paternity benefit) system.

Note: A 2019 law introduced mandatory social security contributions for certain self-employed persons with annual incomes of at least five times the legal monthly minimum wage. Until 2028, covered self-employed persons can choose to make partial contributions for access to a reduced benefit package. Provisions included below summarize the comprehensive benefit package for self-employed persons.

Cash and medical benefits are provided through parallel public and private programs. By default, insured persons are enrolled in the public social insurance program, but they can choose to contract with registered private health institutions for their benefits.

#### **Coverage**

**Social insurance and mandatory private insurance:** Public- and private-sector employees; self-employed persons with annual incomes of at least five times the legal monthly minimum wage; contract workers; pensioners; persons receiving work injury, unemployment, or social assistance benefits; persons entitled to family allowances; and pregnant women. (Persons without earnings, social assistance beneficiaries pregnant women, and mothers up to six months after childbirth are covered by the social insurance program.)

Voluntary coverage for self-employed persons with annual incomes less than five times the legal monthly minimum wage.

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65; 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

Special systems for military and police personnel.

**Employer liability:** Private-sector employees, and public-sector employees not covered by a special system.

Exclusion: Self-employed persons.

Special systems for civil servants and most categories of employees of public institutions and public enterprises.

### **Source of Funds**

#### **Insured person**

**Social insurance:** 7% of monthly covered income; none for pensioners and solidarity beneficiaries.

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

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

The maximum monthly earnings used to calculate contributions are 79.2 UFs (Unidad de Fomento). The ceiling is adjusted annually based on changes in real wages in the previous year.

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908 pesos.

**Mandatory private insurance:** 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 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

**Employer liability:** None.

#### **Self-employed person**

**Social insurance:** 7% of annual covered income.

The self-employed person's annual covered income is 80% of his or her gross income in the previous year.

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

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65; 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

See source of funds under Work Injury for the sick child benefit.

**Mandatory private insurance:** At least 7% of annual covered income, depending on the health plan.

The self-employed person's annual covered income is 80% of his or her gross income in the previous year.

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

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65; 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

**Employer liability:** Not applicable.

### Employer

**Social insurance:** None; see source of funds under Work Injury for the sick child benefit.

**Mandatory private insurance:** None.

**Employer liability:** The total cost.

### Government

**Social insurance:** The total cost of maternity benefits; any deficit in the national health system.

**Mandatory private insurance:** Partially finances the cost of sickness benefits.

**Employer liability:** None; contributes as an employer for public-sector employees not covered by a special system.

### Qualifying Conditions

**Cash sickness and maternity benefits (social insurance and mandatory private insurance):** 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 is no minimum qualifying period for an incapacity that is the result of an accident.

**Sick child benefit (Subsidio Maternal por Enfermedad Grave Niño menor de un Año, social insurance):** Paid to a parent who is absent from work and caring for a gravely sick or terminally ill child aged 1 to 17 (up to age 14 in case of a serious accident).

Employees must have at least eight months of contributions in the last 24 months, including three continuous months of contributions immediately before taking leave; mandatorily covered self-employed must have paid their contributions based on the last tax declaration; and voluntarily insured self-employed persons must have at least 12 months of contributions in the last 24 months, including five continuous months of contributions immediately before taking leave, and be up-to-date with their contribution payments

for old-age, health insurance, and insurance for work injury and occupational diseases.

**Cash paternity benefit (Permiso Paterno Pagado, employer liability):** There is no minimum qualifying period.

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

### Sickness and Maternity Benefits

**Sickness benefit (Subsidio por Incapacidad Laboral, social and mandatory private insurance):** For public-sector employees, the benefit is 100% of the insured's monthly 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 annual covered income divided by 12 (mandatorily covered) or 100% of the insured's average monthly declared earnings in the last six months (voluntarily insured).

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 1/30th of 50% of the monthly non-remuneration minimum wage.

The monthly non-remuneration minimum wage is 194,164 pesos.

**Sick child benefit (Subsidio Maternal por Enfermedad Grave Niño menor de un Año, social insurance):** For employees, the benefit is 100% of the insured's net earnings before the leave began; for self-employed persons, 100% of the insured's annual covered income divided by 12 (mandatorily covered) or 100% of the insured's average monthly declared earnings in the last five months before the leave began (voluntarily insured).

**Maternity benefit (Subsidio Maternal, social insurance and mandatory private insurance):** For public-sector employees, the benefit is 100% of the insured's net monthly earnings before the incapacity began; 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 annual covered income divided by 12 (mandatorily covered) or 100% of the insured's average monthly declared earnings in the last six months (voluntarily covered). 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 1/30th of 50% of the monthly non-remuneration minimum wage.

The monthly non-remuneration minimum wage is 194,164 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 (Permiso Paterno Pagado, employer liability):** 100% of the insured's last monthly earnings is paid for five days in the 30-day period after the childbirth or the adoption of a child younger than age 6 months.

### Workers' Medical Benefits

**Medical benefits (social insurance):** 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.

Cost sharing: Copayments are required for certain treatments. Persons with monthly covered earnings above 439,460 pesos pay 20% (10% with three dependents); with monthly covered earnings from 301,000 pesos to 439,460 pesos, 10% (0% with three dependents). Beneficiaries of basic solidarity pensions or family subsidies, and persons with monthly earnings below 301,000 pesos are exempt (April 2019).

The maximum annual limit on copayments is 3.5 times the insured's annual covered earnings.

There is no cost sharing for general care and certain medicines.

**Medical benefits (mandatory private insurance):** The insured must sign a minimum 12-month contract with a private health institute and can 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 (social insurance):** Benefits for dependents are the same as those for the insured.

**Medical benefits (mandatory private insurance):** Benefits for dependents are the same as those for the insured. A widow(er) and dependent children are covered for a year after the insured's death.

### Administrative Organization

Ministry of Health (<http://www.minsal.cl/>) provides general supervision.

Superintendent of Health (<http://www.supersalud.gob.cl/>) oversees the public and private medical benefits and public and private health providers.

National Health Fund (FONASA) collects contributions and administers the social insurance program.

Health Institutions (ISAPREs) (<http://www.isapre.cl/>) collect contributions and administer the mandatory private insurance program.

Employers pay paternity benefits directly to employees.

### Work Injury

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#### Regulatory Framework

**First law:** 1916 (work injury).

**Current laws:** 1968 (work injury and occupational diseases), 1994 (public-sector workers), 1998 (contribution rates), 2005 (coverage to students and apprentices), 2008 (self-employed workers), 2017 (special contribution), and 2017 (equalizing provisions for workers and employees).

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

Note: A 2019 law introduced mandatory social security contributions for certain self-employed persons with annual incomes of at least five times the legal monthly minimum wage. Until 2028, covered self-employed persons can choose to make partial contributions for access to a reduced benefit package. Provisions included below summarize the comprehensive benefit package for self-employed persons.

#### Coverage

Public- and private-sector workers, self-employed persons with annual incomes of at least five times the legal monthly minimum wage, household workers, contract and temporary workers, students, apprentices, and trade union representatives.

Voluntary coverage for self-employed persons with annual incomes less than five times the legal monthly minimum wage.

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65; 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

#### Source of Funds

**Insured person:** None.

**Self-employed person:** 0.91% of annual covered income plus up to 3.4% of annual covered income, depending on the industry and the assessed degree of risk, and 0.02% of covered income for the sick child benefit under Sickness and Maternity.

The self-employed person's annual covered income is 80% of his or her gross income in the previous year.

The minimum annual income used to calculate contributions is four times the legal monthly minimum wage for mandatorily covered self-employed persons; the legal monthly minimum wage for voluntarily insured self-employed persons.

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65; 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

The maximum annual income used to calculate contributions is based on the maximum monthly earnings used to calculate contributions effective on December 31 for the reporting year.

The maximum monthly earnings used to calculate contributions are 79.2 UFs (Unidad de Fomento). The ceiling is adjusted annually based on changes in real wages in the previous year.

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

**Employer:** 0.91% of monthly covered payroll plus up to 3.4% of monthly covered payroll depending on the industry and the assessed degree of risk, and 0.02% of monthly covered payroll for the sick child benefit under Sickness and Maternity.

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

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65; 224,704 pesos if younger than age 18 or older than age 65 (March 2019).

The contribution can increase up to 6.8% of monthly covered payroll in companies with high accident rates.

**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

**Temporary disability benefit (Subsidio por Incapacidad Laboral):** For public-sector employees, 100% of the insured's net monthly earnings is paid; for private-sector employees, 100% of the insured's average net monthly earnings in the three months before the disability began; for self-employed persons, 100% of the insured's annual covered income divided by 12 (mandatorily covered persons) or 100% of the insured's average net monthly declared income

in the six months before the disability began (voluntarily insured persons).

The benefit is paid from the day of injury for up to 52 weeks (may be extended up to an additional 52 weeks).

The minimum daily temporary disability benefit is 1/30th of 50% of the monthly non-remuneration minimum wage.

The monthly non-remuneration minimum wage is 194,164 pesos.

Benefit adjustment: Benefits are adjusted based on salary and wage increases.

### Permanent Disability Benefits

**Permanent disability pension (Pensión por Incapacidad Permanente):** For a total disability (at least a 70% assessed degree of disability), 70% of the insured's basic wage is paid.

The basic wage is the insured employee's average monthly covered earnings or the voluntarily insured self-employed person's average monthly covered income in the six months before the disability began; the annual covered income divided by 12 for mandatorily covered self-employed persons.

Preventive and Disability Medical Commissions (Comisiones de Medicina Preventiva e Invalidez [COMPIN]) and evaluation commissions under the organizations that administer the program 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 (Suplemento por gran invalidez): 30% of the insured's basic wage is paid if the insured requires the constant attendance of others to perform daily functions.

Child's supplement (Suplemento por hijo): 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 138,585.79 pesos if younger than age 70; 151,532.91 pesos if aged 70 to 75; or 161,680.50 pesos if older than age 75.

The maximum initial monthly permanent disability pension is 1,293,981 pesos.

Partial disability: For an assessed degree of disability of 40% to 69%, 35% of the insured's basic wage is paid. A lump sum of up to 15 months of the basic wage is paid for an assessed degree of disability of 15% to 39%.

The permanent disability pension is payable abroad under bilateral or multilateral agreement.

Benefit adjustment: Benefits are adjusted automatically each year based on 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.



**Disability education allowance (Subsidio de Escolaridad en caso de Invalidez):** For a student assessed with at least a 70% loss of current or future work capacity (at least a 15% loss subject to a means test) that is due to a school accident, 22.275% of the non-remuneration minimum wage is paid a month.

The monthly non-remuneration minimum wage is 194,164 pesos.

### **Workers' Medical Benefits**

Benefits include necessary medical, surgical, dental, and pharmaceutical products; hospitalization; prostheses; rehabilitation; transfer costs, and occupational retraining. Benefits are provided from the 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 (Pensión de Sobrevivencia)**

*Spouse's pension (Pensión de cónyuge):* 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 dependent 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 89,933.16 pesos (if younger than age 70 without children), 112,214.13 pesos (if aged 70 or older without children), 75,226.83 pesos (if younger than age 70 with children), or 96,899.699 pesos (if aged 70 or older with children).

The spouse's pension ceases upon remarriage.

**Remarriage settlement (Asignación por nuevo matrimonio):** A lump sum of two years of the spouse's pension is paid to a widow aged 45 or older who remarries.

*Orphan's pension (Pensión de orfandad):* 20% of the permanent disability pension the deceased received or was entitled to receive is paid for each orphan 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 20,787.87 pesos.

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

Survivor pensions are payable abroad under bilateral or multilateral agreement.

**Benefit adjustment:** Benefits are adjusted automatically each year based on 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:** See the funeral grant (Asignación por Muerte) paid under Old Age, Disability, and Survivors.

### **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, <https://www.achs.cl/>; Mutual de Seguridad de la Cámara Chilena de la Construcción, <https://www.mutual.cl/>; and Instituto de Seguridad del Trabajo, <http://www.ist.cl/>) administer the program and collect contributions.

## **Unemployment**

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### **Regulatory Framework**

**First law:** 1937 (salaried employees).

**Current laws:** 1981 (unemployment); and 2001 (severance account system), implemented in 2002.

**Type of program:** Employment-related and mandatory individual account system.

### **Coverage**

**Employment related:** Employed persons and certain 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 minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 301,000 pesos if aged 18 to 65 (March 2019); 224,704 pesos if younger than age 18 or older than age 65 (March 2019).



The maximum monthly earnings used to calculate contributions are 118.9 UFs (Unidad de Fomento). The ceiling is adjusted annually based on changes in real wages in the previous year.

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

### Self-employed person

*Employment related:* None.

*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% of monthly covered payroll plus 0.2% to the Solidarity Severance Fund for employees with fixed-term contracts.

The maximum monthly earnings used to calculate contributions are 118.9 UFs. The ceiling is adjusted annually based on changes in real wages in the previous year.

The UF, an index that is adjusted daily based on monthly changes in the consumer price index, is 27,908.86 pesos (July 1, 2019).

### 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 49,033 pesos.

### Qualifying Conditions

**Unemployment benefit (Subsidio de Cesantía, employment related):** Must be involuntarily unemployed and have at least 12 months or 52 weeks of contributions in the last two years, be registered as seeking 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 (Seguro de Cesantía, mandatory individual account):** For insured persons who had permanent contracts, must be involuntarily unemployed with at least 12 months of contributions. For insured persons who had fixed-term contracts, must have at least six months of contributions. In both cases, the contributions must have been made since the insured first joined the program or since the last unemployment benefit was received, which occurred last.

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 (Subsidio de Cesantía, 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 (Seguro de Cesantía, 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).

If the insured had a permanent contract and is entitled to the Solidarity Severance Fund, he or she can receive up to five monthly benefits with a decreasing replacement rate of 70%, 55%, 45%, 40% and 35% on the average monthly earnings in the last 12 months.

The minimum monthly benefit for a permanent contract is 187,272 pesos for the first payment, 147,143 pesos for the second payment, 120,389 pesos for the third payment, 107,013 pesos for the fourth payment, 93,637 pesos for the fifth payment, and 80,259 pesos for each subsequent payment.

The maximum monthly benefit for a permanent contract is 624,241 pesos for the first payment, 490,476 pesos for the second payment, 401,297 pesos for the third payment, 356,709 pesos for the fourth payment, 312,120 pesos for the fifth payment, and 267,532 pesos for each subsequent payment.

If the insured had a fixed-term contract and is entitled to the Solidarity Severance Fund, he or she can receive up to three monthly benefits with a decreasing replacement rate of 50%, 40% and 35% on his or her average monthly earnings in the last 12 months.

The minimum monthly benefit for a fixed-term contract is 133,765 pesos for the first payment, 107,013 pesos for the second payment, 93,637 pesos for the third payment, and 80,259 pesos for each subsequent payment.

The maximum monthly benefit for a fixed-term contract is 445,887 pesos for the first payment, 356,709 pesos for the second payment, 312,120 pesos for the third payment, and 267,532 pesos for each subsequent payment.

For every month that the national unemployment rate is one percentage point greater than the national four-year average, beneficiaries of the Solidarity Severance Fund who are due to receive their final payments are entitled to receive two additional months of benefits. The extended benefit is 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, who can then withdraw the accumulated capital or transfer it to his or her individual pension account at retirement (no taxes).

The insured can opt not to receive benefits from the Solidarity Severance Fund and only use his or her individual 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 is responsible for policy development.

Social Security Institute (<http://www.ips.gob.cl/>) and Family Allowance Compensation Funds administer the employment-related program.

Superintendent of Pensions (<https://www.spensiones.cl/>), under the Ministry of Labor and Social Welfare, 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), 1945 (civil servants), 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); 2009 (employment subsidies); 2012 (CCT); and 2018 (family allowances and maternity benefits).

**Type of program:** Employment-related and social assistance system.

#### Coverage

**Employment related:** Public- and private-sector employees; self-employed persons who contribute to old-age and sickness schemes; pensioners; persons receiving work injury, sickness, 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 residents of Chile.

Families covered by the employment-related program can opt for social assistance family benefits.

#### 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 (Asignación Familiar, employment related, income tested):** Paid to the insured for certain dependents: 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.

**Income test:** The insured's average monthly income in the last period from January to June must not exceed 719,502 pesos.

**Maternity allowance (Asignación Maternal, employment related, income tested):** Paid to pregnant insured persons or insured persons on behalf of their pregnant wives.

**Income test:** The insured's average monthly income in the last period from January to June must not exceed 719,502 pesos.

**Family subsidy (Subsidio Familiar/Subsidio Único Familiar [SUF], social assistance, means tested):** Paid to 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 among the 60% most vulnerable households.

**Maternity and pregnancy subsidy (Subsidio Familiar de la Mujer Embarazada, social assistance, means tested):**

Paid to pregnant women not receiving a family subsidy.

Means test: Must be included in the social registry of households as among the 60% most vulnerable households.

**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.

*Basic benefit (Bono de Protección):* Paid to all families enrolled in Ingreso Ético Familiar.

*Supplementary benefit (Bono Base Familiar):* Paid to families enrolled in Ingreso Ético Familiar with a monthly per capita income of less than 40,647 pesos.

*Health benefit (Bono Control del Niño Sano):* Paid for children younger than age 6 who undergo regular medical examinations.

*School attendance benefit (Bono por Asistencia Escolar):* Paid for children aged 6 to 18. Each child must attend 85% of monthly classes in an official educational institution.

*School achievement benefit (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 (Subsidio al Empleo Joven [SEJ], employment related, means tested):** Paid to vulnerable salaried and self-employed workers aged 18 to 24 who do not work for the state or a quasi-public company and are paying contributions. Workers aged 21 to 24 must also have a high school diploma.

Means test: Must be included in the social registry of households as among the 40% most vulnerable households and have a gross annual income of less than 5,699,580.71 pesos or a monthly gross income of less than 474,965.62 pesos.

**Women's employment subsidy (Bono al Trabajo de la Mujer [BTM], employment related, means tested):** Paid to salaried and self-employed women aged 25 to 59 who are paying contributions.

Means test: Must be included in the social registry as among the 40% most vulnerable households and have an annual gross income below 5,699,580.71 pesos or a monthly gross income below 474,965.62 pesos.

**Permanent family grant (Aporte Familiar Permanente, social assistance, income tested):** Paid to beneficiaries in the previous year of the family allowance, maternity allowance, family subsidy, or family cash transfer.

Income test: Must have income below a certain limit.

**Child benefit (Chile Crece Contigo, social assistance, means tested):** Paid for children from pregnancy to age 4 who are delivered at public health centers.

Means test: Must be included in the social registry of households as among the 60% most vulnerable households.

### Family Allowance Benefits

**Family allowance (Asignación Familiar, employment related, income tested):** A monthly allowance is paid for each dependent based on the insured's earnings: 12,364 pesos with monthly earnings up to 315,841 pesos; 7,587 pesos with monthly earnings exceeding 315,841 pesos and up to 461,320 pesos; and 2,398 pesos with monthly earnings exceeding 461,320 pesos and up to 719,502 pesos.

The family allowance is doubled for dependents with disabilities.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

**Maternity allowance (Asignación Maternal, 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.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

**Family subsidy (Subsidio Familiar/Subsidio Único Familiar [SUF], social assistance, means tested):** 12,364 pesos a month is paid.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

**Maternity and pregnancy subsidy (Subsidio Familiar de la Mujer Embarazada, social assistance, means tested):** 12,364 pesos a month is paid.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

**Family cash transfer (Ingreso Ético Familiar, social assistance, means tested)**

*Basic benefit (Bono de Protección):* 17,446 pesos a month is paid during the first six months of enrollment in the program; 13,292 pesos from month seven to 12; 9,138 pesos from month 13 to 18; 11,887 pesos from month 19 to 24.

**Supplementary benefit (Bono Base Familiar):** Up to 21,442 pesos a month is paid, depending on the family income, for up to 24 months after enrollment in the program.

**Health benefit (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.

**School attendance benefit (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.

**School achievement benefit (Bono por Logro Escolar):** A lump sum of 60,601 pesos is paid for each student in the top 15% of his or her cohort; 36,362 pesos for each student in the top 30%.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

**Youth employment subsidy (Subsidio al Empleo Joven [SEJ], employment related, means tested):** The annual benefit amount depends on the insured's annual income in the previous year: 20% of annual income is paid with annual income up to 2,533,147 pesos; 506,629.40 pesos with income exceeding 2,533,147 pesos and up to 3,166,435 pesos; 506,629.40 pesos minus 20% of the difference between the annual income and 3,166,435 pesos with income of 3,166,436 pesos to 5,669,581 pesos.

The employer receives a subsidy of 50% of the workers' monthly benefit for 24 months.

Schedule of payments: Employees can choose to receive a monthly payment or an annual payment in August; self-employed persons receive benefits annually; employers receive subsidies monthly.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

**Women's employment subsidy (Bono al Trabajo de la Mujer [BTM], employment related, means tested):** The annual benefit amount depends on the insured's annual income in the previous year: 20% of annual income is paid with annual income up to 2,533,147 pesos; 506,629.40 pesos with income exceeding 2,533,147 pesos up to 3,166,435 pesos; 506,629.40 pesos minus 20% of the

difference between the annual income and 3,166,435 pesos with income of 3,166,436 pesos to 5,669,581 pesos.

The women's employment subsidy is paid for up to four years.

The employer receives a subsidy of 50% of the workers' monthly benefit for 24 months.

Schedule of payments: Employees can choose to receive a monthly payment or an annual payment in August; self-employed persons receive benefits annually; employers receive subsidies monthly.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

**Permanent family grant (Aporte Familiar Permanente, social assistance, income tested):** 46,374.06 pesos a year is paid for each family member entitled to a family allowance or subsidy or a maternity allowance or subsidy; 46,374.06 pesos a year for each family entitled to the family cash transfer.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

**Child benefit (Chile Crece Contigo, social assistance, means tested):** Benefits include a layette, free kindergarten counselling, and other services.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis.

### **Administrative Organization**

Ministry of Labor and Social Welfare (<http://www.mintrab.gob.cl/>), 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/>) 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 = 3,196.15 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1946 (social insurance), implemented in 1965; 2003 (social assistance); and 2005 (voluntary individual account (BEPS)).

**Current laws:** 1993 (social security), implemented in 1994; 2005 (means-tested individual account (BEPS)), implemented in 2014; 2007 (national development); 2007 (social assistance); 2012 (family pensions), implemented in 2014; 2013 (voluntary individual account (BEPS)); 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.

Voluntary coverage for residents of Colombia without mandatory coverage, citizens residing abroad, and foreign employees covered through another pension program.

Special systems for Ecopetrol employees and teachers in the public education system hired before January 30, 2003; and military and police personnel.

**Voluntary individual account (Beneficios Económicos Periódicos, BEPS):** Citizens of Colombia with monthly earnings of less than 828,116 pesos.

**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 15 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 (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 828,116 pesos.

Of the combined insured person and employer social insurance contributions, 13% is allocated to old-age benefits, 0.80% to disability benefits, 1.11% to 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.

Contributions are paid monthly (weekly for short-term or daily workers).

**Voluntary individual account (BEPS):** See the source of funds for social insurance, mandatory 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 1,200,000 pesos.

Contributions do not have to be made regularly.

#### Self-employed person

**Social insurance:** 13% of covered declared earnings (old age), 0.80% (disability), 1.11% (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 maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

**Mandatory individual account:** 11.5% of declared earnings (old age), 1.5% (disability and survivors), 1.5% (administrative fees), and 1.5% (guaranteed minimum pension).



**Voluntary individual account (BEPS):** Voluntary contributions.

The minimum annual voluntary contribution is 5,000 pesos.

The maximum annual voluntary contribution is 1,200,000 pesos.

Contributions do not have to be made regularly.

**Social assistance:** None with monthly income less than four times the legal monthly minimum wage; 1% of covered earnings with income from four to 15 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 828,116 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 828,116 pesos.

Of the combined insured person and employer social insurance contributions, 13% is allocated to old-age benefits, 0.80% to disability benefits, 1.11% to 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 voluntary 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.

The old-age pension is payable abroad.

**Old-age family pension (social insurance, means tested):** Paid to a couple of pensionable age (married or domestic partners) who have lived together for at least five years before the claim is made, 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 had at least 325 weeks of contributions at age 45 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 is at least 10 years younger than the normal retirement age).

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.

The old-age family pension is payable abroad.

**Special pension (social insurance):** Age 55 with 1,300 weeks of contributions, including at least 700 weeks of contributions made while in certain forms of hazardous employment. The age requirement is reduced by one year for every 60 weeks of contributions in hazardous employment exceeding 700 weeks, up to five years.

The special pension is payable abroad.

**Old-age settlement (Indemnización sustitutiva, social insurance):** Age 62 (men) or age 57 (women) and does 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).

The old-age settlement is payable abroad.

**Old-age pension (mandatory individual account):** At any age if the account balance 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 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 828,116 pesos.

The old-age pension is payable abroad.

**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 claiming the pension; 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 the member is at least 10 years younger than the normal retirement age).

The old-age family pension is payable abroad.

Guaranteed minimum family pension: The couple 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 828,116 pesos.

**Old-age settlement (Devolución de saldos, mandatory individual account):** Age 62 (men) or age 57 (women), has less than 1,150 weeks of contributions, and is unable to work to reach this contribution requirement.

**Old-age benefit (BEPS, voluntary individual account):**

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.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

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 three years younger than the normal retirement age or older, 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 work 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 of any age with at least 975 weeks of contributions, including 25 weeks of contributions in the three years before the disability began.

A medical board assesses and may review the degree of disability every three years.

**Disability settlement (social insurance and mandatory individual account):** Must meet the age and disability requirements for a social insurance or mandatory individual account disability pension but not meet the contribution requirements.

A medical board assesses the degree of disability.

**Disability benefit (BEPS, voluntary individual account):**

Paid if the fund member is diagnosed with certain chronic diseases. Must have made at least six contributions or contributions equal to six times the legal daily minimum wage in the last 12 months.

**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 or had at least 50 weeks of contributions in the three years immediately before death.

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 and dependent orphans younger than age 18 (age 25 if a student, no limit if disabled). If there is no widow(er) or eligible orphan, the pension is paid to a dependent parent or a dependent sibling with a disability.

The survivor pension is payable abroad.

**Survivor settlement (social insurance and mandatory individual account):** The deceased did not meet the contribution requirements for an old-age or disability pension or the survivor had lived with the deceased for less than five years in the case of a widow(er) or partner.

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 and dependent orphans younger than age 18 (age 25 if a student, no limit if disabled). If there is no widow(er) or eligible orphan, the pension is paid to a dependent parent or a dependent sibling with a disability.

**Survivor settlement (BEPS, voluntary individual account):** Paid to family members when a fund member dies before reaching the normal retirement age.

**Survivor benefit (BEPS, voluntary individual account):**

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.

The legal daily minimum wage is 27,604 pesos.

**Funeral grant (social insurance and mandatory individual account):**

Paid to the person who paid for the funeral when an insured person or pensioner dies.

**Funeral grant (BEPS, voluntary individual account):**

Paid to the person who paid for the funeral if the deceased had 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.

The legal daily minimum wage is 27,604 pesos.

### **Old-Age Benefits**

**Old-age pension (social insurance):** 55% to 65% of the insured's average monthly earnings, depending on the level of earnings (the lower the salary, the higher the replacement rate) plus 1.5% for every 50 weeks of contributions is paid.

The maximum monthly old-age pension is 80% of the insured's average monthly earnings.

Average monthly earnings are the insured's average monthly covered 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 828,116 pesos.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the legal monthly minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price.

**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):** 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 legal monthly minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index or the minimum wage.

**Old-age settlement (Indemnización sustitutiva, social insurance):**

A portion of the insured's average weekly covered earnings on which the insured made contributions multiplied by the number of weeks of contributions is paid as a lump sum.

Instead of a lump sum payment, the insured can choose to transfer the value of his or her old-age settlement to the BEPS voluntary individual account.

**Old-age pension (mandatory individual account):** The insured has three payment options: receive programmed withdrawals, purchase an annuity, or use a combination of these two options.

Guaranteed minimum pension: The difference between the account balance and the balance needed to finance 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 828,116 pesos.

**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: Calculated in the same way as the guaranteed minimum pension for the mandatory individual account old-age pension.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index or the minimum wage.

**Old-age settlement (Devolución de saldos, mandatory individual account):** A lump sum of the account balance is paid.

Instead of a lump sum payment, a fund member may choose to transfer his or her account balance to the BEPS voluntary individual account.

**Old-age benefit (BEPS, voluntary individual account):**

The account balance plus a 20% subsidy is paid as an annuity; if the social insurance 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.

If the fund member opts for a lump sum payment, only the account balance is paid.

The maximum monthly old-age benefit is 85% of the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Schedule of payments: Benefits are paid every two months.

**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 beneficiary 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 of at least 66%, 54% of the insured's average monthly earnings plus 2% for every 50 weeks of contributions exceeding 800 weeks is paid, up to 75%. For an assessed degree of disability of at least 50% but less than 66%, 45% of the insured's average monthly earnings plus 1.5% for every 50 weeks of contributions exceeding 500 weeks is paid.

Average monthly earnings are the insured's average monthly covered earnings in the last 10 years before the disability began (or over the total contribution period if less than 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 disability pension is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Schedule of payments: 13 payments a year; 14 payments if the disability pension was less than three times the legal monthly minimum wage and the pension was awarded before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price.

**Disability settlement (Indemnización sustitutiva, social insurance):** A portion of the insured's average weekly earnings on which the insured made contributions multiplied by the number of weeks of contributions is paid as a lump sum.

**Disability settlement (Devolución de saldos, mandatory individual account):** A lump sum of the mandatory 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):** A lump sum of 10 to 15 times the account balance for annual savings from 100,001 to 1,200,000 pesos is paid; 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 average monthly earnings plus 2% for every 50 weeks of contributions exceeding 500 weeks, is paid.

Average monthly earnings are the deceased's average monthly covered earnings in the last 10 years before death (or over the total contribution period if less than 10 years).

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 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 828,116 pesos.

The maximum monthly survivor pension is 75% of the deceased's average monthly earnings.

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 survivor pension was less than three times the legal monthly minimum wage and the pension was awarded before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index or the minimum wage.

**Survivor settlement (Indemnización sustitutiva, social insurance):** The old-age settlement the deceased was entitled to receive at the time of death is paid.

**Survivor settlement (Devolución de saldos, mandatory individual account):** A lump sum of the deceased's account balance is paid.

**Survivor benefit (BEPS, voluntary individual account):** A lump sum of 10 to 15 times the account balance for annual savings from 100,001 to 1,200,000 pesos; up to 1,000,000 pesos for annual savings up to 100,000 pesos.

**Survivor settlement (BEPS, voluntary individual account):** A lump sum of the account balance plus accrued interest is paid.

**Funeral grant (social insurance and mandatory individual account):** A lump sum of one month of the deceased's old-age or disability pension or last monthly earnings is paid to the person who paid for 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 828,116 pesos.

**Funeral grant (BEPS, voluntary individual account):** 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 828,116 pesos.



### Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co/>) provides general supervision.

Financial Superintendence of Colombia 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 the individual accounts program.

Fiduagraria (<https://www.fiduagraria.gov.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.

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### Sickness and Maternity

#### Regulatory Framework

**First laws:** 1938 (maternity); and 1946 (social insurance), implemented in 1965.

**Current laws:** 1950 (labor code), implemented in 1951; 1993 (social insurance and social assistance), implemented in 1994; and 2002 (parental leave).

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

#### Coverage

**Social insurance:** Residents of Colombia who are employees, including public-sector employees and civil servants; self-employed persons, vocational training students and apprentices, unemployed persons, and pensioners (medical benefits only).

Special systems for military and police personnel.

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

#### Source of Funds

##### Insured person

**Social insurance:** 4% of monthly covered earnings; none for vocational training students and apprentices; 12% of the monthly pensions for pensioners (medical benefits only).

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 828,116 pesos.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 12.5% of monthly covered declared earnings, 1.5% of which finances the social assistance program (solidarity contributions).

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 828,116 pesos.

**Social assistance:** None.

##### Employer

**Social insurance:** 8.5% of monthly covered payroll, 1.5% of which finances the social assistance program (solidarity contributions); 12.5% for vocational training students and apprentices.

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 828,116 pesos.

**Social assistance:** None.

##### Government

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

**Social assistance:** Provides subsidies as needed.

#### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have at least four weeks of contributions immediately before the incapacity began.

**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 paid contributions during the full duration of the pregnancy.

**Medical benefits (social insurance):** Must have at least four weeks of contributions (except for emergencies).

Eligible dependents include a spouse (or same-sex partner); dependent children and stepchildren younger than age 25 (no limit if disabled); dependent grandchildren, siblings, nieces, and nephews under certain conditions; and, if there is no spouse (or same-sex partner) and children, dependent parents not receiving a pension.

**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 90 days; 50% from the 91st to the 180th day. (The employer pays 100% of the insured's earnings for the first two days of incapacity.)

**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 working days.

### **Workers' Medical Benefits**

**Medical benefits (social insurance):** 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.

Previously insured persons who are no longer in covered employment may receive medical benefits for up to 12 weeks, depending on their contribution records.

Cost sharing: A copayment is required, depending on the insured's monthly covered earnings, for certain services.

**Medical benefits (social assistance):** Benefits are the same as under the social insurance program.

Cost sharing: A copayment of up to 10% of the cost of the treatment may be required for certain services.

### **Dependents' Medical Benefits**

**Medical benefits (social insurance):** Benefits for dependents are the same as those for the insured person. 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.

**Medical benefits (social assistance):** Benefits for dependents are the same as those for the 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.

Private health institutions provide health services.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1915 (work injury compensation).

**Current laws:** 1993 (social insurance), implemented in 1994; 2002 (work injury organization); 2012 (work injury); and 2016 (self-employed persons).

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

#### **Coverage**

Employed persons, including civil servants and pensioners who re-enter the workforce; members of cooperatives; apprentices; and self-employed persons in high-risk occupations.

Voluntary coverage for self-employed persons and informal-sector workers without mandatory coverage.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** 0.348% to 4.089% of covered declared earnings, depending on 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 828,116 pesos.

**Employer:** 0.348% to 8.7% of monthly covered payroll, depending on 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 828,116 pesos.

**Government:** Contributes to the work injury fund using general revenues; 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 (except if the employer provides the transportation). Occupational diseases are specified by law.

A medical board assesses the degree of disability, and reassesses permanent disabilities every three years.

### **Temporary Disability Benefits**

100% of the insured's last monthly 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 conditions for up to 180 days).

### **Permanent Disability Benefits**

#### **Permanent disability pension (Pensión de invalidez):**

For an assessed degree of disability of at least 66%, 75% of the insured's base earnings is paid; for an assessed degree of disability of at least 50% but less than 66%, 60% of base earnings is paid.

Base earnings are the insured's average monthly 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 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 828,116 pesos.

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 (Indemnización por incapacidad permanente parcial): For an assessed degree of disability of at least 5% but less than 50%, a lump sum of two to 24 times the insured's base earnings is paid.

Base earnings are the insured's average monthly 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.

Benefit adjustment: Benefits are adjusted annually based on 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 (Pensión de sobrevivientes):** 75% of the deceased's base 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.

Base earnings are the deceased's average monthly earnings in the last six months for a work accident benefit or in the last 12 months for an occupational disease benefit.

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 and dependent orphans younger than age 18 (age 25 if a student, no limit if disabled). If there is no widow(er) or eligible orphan, the pension is paid to a dependent parent or a dependent sibling with a disability.

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 828,116 pesos.

Schedule of payments: 13 payments a year; 14 payments if the survivor pension was less than three times the legal monthly minimum wage and the pension was awarded before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index.

**Funeral grant (Auxilio funerario):** One month of the deceased's permanent disability pension or last wage is paid to the person who paid for 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 828,116 pesos.

### **Administrative Organization**

Ministry of Labor (<http://www.mintrabajo.gov.co/>), Financial Superintendence of Colombia, 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 the program.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx>) collects contributions.

## Unemployment

### 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 and for certain employed persons with monthly earnings above 10,765,508 pesos.

### 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 13 times the legal monthly minimum wage) is paid a year.

*Voluntary individual account:* None.

#### Government

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

*Mandatory individual account:* None; contributes as an employer.

*Voluntary individual account:* None.

### Qualifying Conditions

**Unemployment benefit (Mecanismo de Protección al Cesante, social insurance, income tested):** 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, accept job interviews, and job offers, in agreement with the public employment service; and not be receiving any other income or benefits.

The unemployment benefit is paid only once in an insured person's working life.

**Severance benefit (Cesantías, 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, regardless 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 of at least twice the legal monthly minimum wage).

The legal monthly minimum wage is 828,116 pesos.

### Unemployment Benefits

**Unemployment benefit (Mecanismo de Protección al Cesante, social insurance, income tested):** 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, medical benefits, and family allowances for up to six months. The contribution is calculated based on the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

**Severance benefit (Cesantías, mandatory individual account):** A lump sum of one month of the insured's annual salary is paid for each year of employment; a reduced benefit is paid with less than one year of employment.

Other withdrawals: The insured may make authorized partial or total withdrawals from his or her 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 Superintendence 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**

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#### **Regulatory Framework**

**First law:** 1957 (family allowances).

**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.

Note: Voluntarily insured persons are eligible for in-kind benefits only; self-employed persons may be eligible for the social insurance unemployment benefit (see Unemployment).

#### **Coverage**

**Social insurance:** Public- and private-sector employees, including household and short-term (less than one month of continuous employment) and daily workers; and persons receiving unemployment benefits.

Voluntary coverage for self-employed persons; pensioners, residents of Colombia without mandatory coverage, citizens residing abroad, and unemployed persons (in-kind benefits only).

Special systems for military and police personnel.

**Social assistance (Family cash transfer):** Needy residents of Colombia.

**Social assistance (Student cash transfer):** Needy resident 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 benefits.

The legal monthly minimum wage is 828,116 pesos.

**Social assistance:** None.

##### **Self-employed person**

**Social insurance:** 2% of monthly covered declared earnings; 0.6% of the legal monthly minimum wage for reduced benefits.

The legal monthly minimum wage is 828,116 pesos.

The self-employed person's contributions also finance the social insurance unemployment benefit under Unemployment.

**Social assistance:** None.

##### **Employer**

**Social insurance:** 4% of gross monthly covered 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 828,116 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 (Subsidio familiar, social insurance, income tested):** Paid for eligible dependents if the insured has completed at least 60 days of continuous employment with the same employer, including 96 hours in 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 age 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 a couple (married or domestic partners) must not exceed six times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

**In-kind benefits:** Provided to insured persons (including the voluntarily insured) and their eligible dependents.



**Dependent's death allowance (Subsidio extraordinario por fallecimiento de beneficiario, social insurance, income tested):** Paid to an employee who qualifies for family benefits when an eligible dependent dies.

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 age 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 a couple (married or domestic partners) must not exceed six times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

**Surviving spouse allowance (Subsidio extraordinario por fallecimiento de trabajador, social insurance, income tested):** The deceased received the social insurance family benefit and left 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 age 60; an orphan sibling younger than age 18, or a dependent disabled sibling (any age).

Income test: The deceased's monthly income must not have exceeded four times the legal monthly minimum wage and the combined monthly earnings of the couple (married or domestic partners) must not have exceeded six times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

**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 5 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):** Paid for persons aged 16 to 24 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 (Subsidio familiar, social insurance, income tested):** The monthly benefit amount varies from 23,386 to 46,570 pesos depending on 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%.

In-kind benefits: Certain in-kind benefits, including medical benefits and vocational training, are provided.

**Dependent's death allowance (Subsidio extraordinario por fallecimiento de beneficiario, social insurance, income tested):** A lump sum of 12 times the monthly family benefit is paid for each surviving dependent.

**Surviving spouse allowance (Subsidio extraordinario por fallecimiento de trabajador, social insurance, income tested):** Twelve times the monthly family benefit is paid to a widow or the guardian for each eligible dependent.

**Family cash transfer (Más Familias en Acción, social assistance):** 77,000 to 89,800 pesos a month is paid for each child aged 0 to 5 (health benefit); an additional 12,875 to 70,600 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).

Schedule of payments: The benefit is paid every two months to the head of the family.

Benefits are adjusted annually based on 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).

Schedule of payments: 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.

Family allowance funds provide social insurance benefits.

The Department for Social Prosperity (<http://www.prosperidadsocial.gov.co/Paginas/Inicio.aspx/>) supervises and manages social assistance benefits.

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 = 581.30 colones.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1941 (social insurance fund).

**Current laws:** 1992 (pensions); 1995 (self-employed), implemented in 2000; 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 residing in Costa Rica.

Voluntary coverage is available.

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:** 3.84% (gradually increasing to 4.5% by 2035) of gross monthly covered earnings; 3.67% to 7.93% of gross monthly covered earnings based on five income categories for the voluntarily insured. See source of funds under Sickness and Maternity for the funeral grant.

The minimum monthly earnings used to calculate contributions are 309,143.36 colones (January 2019); 268,955 colones for the voluntarily insured (June 2019).

There are no maximum earnings used to calculate contributions.

**Mandatory individual account:** 1% of monthly earnings plus up to 0.5% of the account balance once a year for administrative fees (October 2019).

##### Self-employed person

**Social insurance:** 3.67% to 7.93% of gross monthly covered declared earnings based on five income categories.

The minimum monthly earnings used to calculate contributions are 268,955 colones (June 2019).

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 gross monthly covered payroll.

The minimum monthly earnings used to calculate contributions are 309,143.36 colones (January 2019).

There are no maximum earnings used to calculate contributions.

**Mandatory individual account:** 3.25% of monthly payroll.

##### Government

**Social insurance:** 1.24% (gradually increasing to 1.91% by 2035) of the gross monthly covered earnings of all employees; 0.99% to 4.95% for self-employed and voluntarily insured persons (inversely proportional to the declared earnings) based on five income categories; contributes as an employer.

**Mandatory individual account:** None; contributes as an employer.

#### Qualifying Conditions

**Old-age pension (Pensión Ordinaria de Vejez, Régimen de Pensión Básico, 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).

**Partial pension (Pensión de vejez proporcional):** Age 65 with at least 180 months but less than 300 months of contributions.

**Early pension (Pensión de vejez anticipada):** Age 62 (men) or age 60 (women) with at least 360 months of contributions (increasing to 420 months in September 2019). The early pension is being phased out by March 2021.

**Deferred pension (Pensión de vejez diferida):** The pension may be deferred.

Employment must cease for public-sector employees.

The old-age pension is payable abroad.

**Old-age pension (Pensión de Vejez, Régimen Obligatorio de Pensiones Complementarias [ROP], 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 old-age pension may withdraw accumulated funds from their individual accounts at age 65.

**Disability pension (Pensión de Invalidez, Régimen de Pensión Básico, social insurance):** Must be younger than the normal retirement age, have at least a 66.7% assessed loss of work capacity in the usual or equivalent occupation, and have 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 at least 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 (Pensión de invalidez proporcional): Must be younger than the normal retirement age; have at least a 66.7% assessed loss of work capacity in the usual or equivalent occupation; have at least 60 months of contributions, including at least 12 months of contributions in the two years before the disability began (if aged 48 or younger) or at least 24 months in the four years before the disability began (if older than age 48); 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.

The disability pension is payable abroad.

**Survivor pension (Pensión de Sobrevivientes, Régimen de Pensión Básico, social insurance):** The deceased received or was entitled to receive a social insurance 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; orphans up to age 18 (age 25 if a student; no limit if disabled); dependent children older than age 55 who were living with the deceased; and dependent parents and siblings if there are no other eligible survivors.

The spouse's pension ceases upon (re)marriage or cohabitation.

**Survivor settlement (Indemnización por Muerte, Régimen de Pensión Básico, social insurance):** The deceased had at least 12 months of contributions. The settlement is paid to eligible survivors who do not qualify for a social insurance survivor pension.

Eligible survivors include a widow(er) or cohabiting partner; unmarried orphans up to age 18 (age 25 if a student; no limit if disabled); dependent unmarried disabled children older than age 55 who were living with the deceased; and dependent parents and siblings if there are no other eligible survivors.

**Funeral grant (Gastos de Funeral, Régimen de Pensión Básico, 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 (Pensión de Vejez, Régimen de Pensión Básico, social insurance):** The pension's replacement rate varies depending on the insured's average indexed monthly earnings in the last 60 months before retirement. The monthly pension is 43% (with average monthly earnings of at least eight times the legal monthly minimum wage) to 52.5% (with average monthly earnings of less than two times the legal monthly minimum wage) of the insured's average indexed monthly earnings in the last 240 months, plus 0.0833% of average indexed monthly earnings for each month of contributions exceeding 240 months.

The earnings used to calculate benefits are adjusted based on changes in the consumer price index.

The legal monthly minimum wage ranges from 309,143.36 colones to 663,772.10 colones, depending on the occupation.

The minimum monthly old-age pension is 136,865 colones; if the calculated pension amount is lower, a lump sum is paid.

The maximum monthly old-age pension is 1,612,851 colones.

Partial pension (Pensión de vejez proporcional): The pension is proportionally reduced for each month of contribution less than the 300 months required for a full pension.

Early pension (Pensión de vejez anticipada): The pension is reduced by 1.75% for each trimester it is claimed before the normal retirement age. The early pension is being phased out by March 2021.

The minimum early pension is the minimum monthly old-age pension.

Deferred pension (Pensión diferida): The pension is increased by 0.133% of the insured's average indexed monthly earnings in the last 240 months for each month it is deferred after the normal retirement age.

The maximum monthly deferred old-age pension is 2,282,184 colones.

Schedule of payments: 13 payments a year.

Benefit adjustment: Pensions are adjusted twice a year, in January and July, based on changes in wages and the cost of living.

**Old-age pension (Pensión de Vejez, Régimen Obligatorio de Pensiones Complementarias [ROP], mandatory individual account):** There are two different payment options: make programmed withdrawals or purchase an annuity. If the amount of the monthly individual account pension would be lower than 10% of the insured's monthly social insurance old-age pension, the insured can choose to withdraw the total account balance as a lump sum.

## Permanent Disability Benefits

**Disability pension (Pensión de Invalidez, Régimen de Pensión Básico, social insurance):** The pension's replacement rate varies depending on the insured's average indexed monthly earnings in the last 60 months before the disability began. The monthly pension is 43% (with average monthly earnings of at least eight times the legal monthly minimum wage) to 52.5% (with average monthly earnings of less than two times the legal monthly minimum wage) of the insured's average indexed monthly earnings in the last 240 months plus 0.0833% of average indexed monthly earnings for each month of contributions exceeding 240 months.

The earnings used to calculate benefits are adjusted based on changes in the consumer price index.

The legal monthly minimum wage ranges from 309,143.36 colones to 663,772.10 colones, depending on the occupation.

The minimum monthly disability pension is 136,865 colones; if the calculated pension is lower, a lump sum is paid.

The maximum monthly disability pension is 1,612,851 colones.

**Partial pension (Pensión de invalidez proporcional):** The pension is proportionally reduced for each month of contributions less than the months required for a full pension.

Schedule of payments: 13 payments a year.

Benefit adjustment: Pensions are adjusted twice a year, in January and July, based on changes in wages and the cost of living.

## Survivor Benefits

**Survivor pension (Pensión de Sobrevivientes, Régimen de Pensión Básico, social insurance)**

**Spouse's pension (Pensión por viudez):** 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) or surviving partner if younger than age 50; 60% if aged 50 to 59; 70% if aged 60 or older or disabled.

**Orphan's pension (Pensión por orfandad):** 30% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for each eligible orphan; 60% for a full orphan.

**Other eligible survivor's pension (Pensión a otros sobrevivientes):** If there is no widow(er), surviving 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 dependent parent and dependent sibling; 60% to dependents older than age 55.

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: Pensions are adjusted twice a year, in January and July, based on changes in wages and the cost of living.

**Survivor settlement (Indemnización por Muerte, Régimen de Pensión Básico, social insurance):** A lump sum of 8.33% of the deceased's average monthly earnings in the last 12 months of contributions is paid for each month of contributions.

**Funeral grant (Gastos de Funeral, Régimen de Pensión Básico, social insurance):** 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

Costa Rican Social Insurance Fund (<http://www.ccss.sa.cr>), directed by a general director, an executive president, and a nine-member board, administers the social insurance program and collects contributions for both the social insurance and mandatory individual account programs.

State auditor supervises the financial operations of the social insurance fund.

National Council for the Supervision of the Financial System (<http://www.conassif.fi.cr>) provides regulatory oversight of the mandatory individual account program.

Superintendent of Pensions (<https://www.supen.fi.cr/>) regulates and supervises pension operators.

Pension operators (OPCs) manage the individual accounts.

## Sickness and Maternity

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### Regulatory Framework

**First law:** 1941 (social insurance fund).

**Current laws:** 1943 (labor); 1961; 1973 (health); and 1993 (social insurance), implemented in 1997.

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

### Coverage

**Social insurance:** Employed and self-employed persons, and pensioners residing in 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 monthly covered earnings; pensioners contribute 5% of the pension.

The minimum monthly earnings used to calculate contributions are 309,143.36 colones (January 2019); 287,349 colones for the voluntarily insured with very low contributory capacity (February 2019).

There are no maximum earnings used to calculate contributions.

The insured person's contributions also finance the funeral grant under Old Age, Disability, and Survivors.

**Employer liability:** None.

**Social assistance:** None.

### Self-employed person

**Social insurance:** 2.89% to 10.69% of monthly covered declared earnings based on five income categories.

The minimum monthly earnings used to calculate contributions are 287,349 colones for self-employed persons with very low contributory capacity (February 2019).

There are no maximum earnings used to calculate contributions.

**Employer liability:** Not applicable.

**Social assistance:** None.

### Employer

**Social insurance:** 9.25% of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are 309,143.36 colones (January 2019).

There are no maximum earnings used to calculate contributions.

**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 9.11% of declared earnings for self-employed persons and the voluntarily insured (inversely proportional to the declared earnings) based on five income categories; for pensioners, the Social Insurance Fund contributes 8.75% of the pension.

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

**Social assistance:** Provides subsidies as needed.

## Qualifying Conditions

**Cash sickness benefit (Subsidio por Incapacidad, Seguro de Salud, 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 (Subsidio por Maternidad, Seguro de Salud, social insurance):** Must have contributed in the month immediately before birth or the maternity leave began, or six months in the 12 months before birth or the maternity leave began.

**Cash maternity benefit (employer liability):** There is no minimum qualifying period. Must provide a medical certificate with the expected date of childbirth.

**Medical benefits (Seguro de Salud, social insurance):** There is no minimum qualifying period.

**Medical benefits (social assistance, means tested):** There is no minimum qualifying period.

**Means test:** Must be assessed as unable to pay social insurance contributions for medical benefits.

## Sickness and Maternity Benefits

**Sickness benefit (Subsidio por Incapacidad, Seguro de Salud, social insurance):** For employees, 60% of the insured's monthly earnings in the last three months is paid after a three-day waiting period.

For self-employed persons the amount of the sickness benefit is based on the combined monthly contributions by the insured and the government, and the insured's number of months of contributions.

**Maternity benefit (Subsidio por Maternidad, social insurance and employer liability):** For employees, 100% of the insured's monthly earnings is paid for 30 days before and 90 days after the expected date of childbirth (the cost of the benefit is split equally between the Costa Rican Social Insurance Fund and the employer); 66.6% is paid by the employer if the insured does not qualify for a social insurance benefit.

For self-employed persons the amount of the maternity benefit is based on the combined monthly contributions by the insured and the government, and the insured's number of months of contributions.

## Workers' Medical Benefits

**Medical benefits (Seguro de Salud, 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 those for the insurance program.



## **Dependents' Medical Benefits**

### **Medical benefits (Seguro de Salud, social insurance):**

Benefits for dependents are the same as those for the insured.

### **Medical benefits (social assistance, means tested):**

Benefits for dependents are the same as those for the primary beneficiary.

## **Administrative Organization**

Costa Rican Social Insurance Fund (<http://www.ccss.sa.cr>), directed by a general director, an executive president, and a nine-member board, administers the programs 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 (work injury).

**Current law:** 1943 (labor code), implemented in 1947.

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

### **Coverage**

Employed persons and apprentices residing in Costa Rica.

Voluntary coverage for self-employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** 2.99% to 10.99% of net monthly declared earnings, depending on the type of economic activity.

**Employer:** The total cost (pays insurance premiums that vary depending on 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**

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 temporary disability benefit is the legal monthly minimum wage at the time the disability began.

The legal monthly minimum wage ranges from 309,143.36 colones to 663,772.10 colones, depending on the occupation.

### **Permanent Disability Benefits**

**Permanent disability pension (Pensión por Incapacidad Permanente Total):** For a total disability (an assessed degree of disability greater than 67%), the monthly pension is 100% of the legal monthly minimum wage plus 67% of the insured's monthly earnings that exceed this amount.

The legal monthly minimum wage ranges from 309,143.36 colones to 663,772.10 colones, depending on the occupation.

Constant-attendance allowance (Gran invalidez): 44,547 colones a month is paid if the insured requires the constant attendance of others to perform daily tasks.

Grants may be awarded to insured persons with disabilities to purchase, rent, or modify housing.

Partial disability (Pensión por incapacidad permanente parcial): For an assessed degree of disability from 50% to 67%, 67% of the insured's monthly earnings is paid for up to 10 years; for 0.5% to 49%, the insured's annual earnings multiplied by the assessed degree of disability is paid for up to five years (pensión por incapacidad menor permanente). The benefit may be extended for additional five-year periods on a means-tested basis.

The permanent disability pension is payable abroad.

### **Workers' Medical Benefits**

Benefits include medical and surgical care, hospitalization, medicine, appliances, and rehabilitation.

### **Survivor Benefits**

#### **Survivor pension (Renta por Muerte del Trabajador)**

**Spouse's pension:** 40% of the deceased's average monthly earnings in the 12 months before death is paid to a dependent widow(er). The pension is paid for 10 years; may be extended for additional five-year periods under certain conditions.

The maximum widow(er)'s pension is 40% of the deceased's average monthly 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 orphans 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 eligible orphans) 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 pension is 75% of the deceased's earnings.

The survivor pension is payable abroad.

**Funeral grant (Gastos de Funeral):** A lump sum of 95,000 colones plus transportation costs is paid.

The funeral grant is not payable abroad.

### **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**

**First and current laws:** 1943 (labor code), implemented in 1947; and 2000 (severance account).

**Type of program:** Mandatory individual account system.

### **Coverage**

Public- and private-sector employees.

Exclusions: Self-employed persons.

### **Source of Funds**

**Insured person:** None.

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

**Employer:** 1.5% of gross monthly payroll.

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

### **Qualifying Conditions**

Paid if the employee's service with an employer ceases.

### **Unemployment Benefits**

The total account balance minus any previous withdrawals is paid. (The employee may withdraw the account balance after every five-year period of continuous service with the same employer.)

If the employee dies, the total account balance may be withdrawn by his or her eligible survivor(s).

Eligible survivors include, in order of priority, a widow(er) who was married to the deceased at the time of death and orphans younger than age 18 (no limit if disabled); orphans older than age 18 and the deceased's parents; and the legal heirs of the deceased.

### **Administrative Organization**

Superintendent of Pensions (<https://www.supen.fi.cr/>) provides general and regulatory supervision.

Authorized labor capitalization funds administer the severance accounts.

## **Family Allowances**

### **Regulatory Framework**

**First and current laws:** 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 revenues below certain thresholds are exempted from paying contributions.

FODESAF is used to finance 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:** Provides subsidies as needed.

### **Qualifying Conditions**

**Family allowance (Pensión No Contributiva, Régimen No Contributivo [RNC], income tested):** Paid to persons older than age 65, persons with disabilities, widows aged 55 to 65, and widows younger than age 55 with dependent children younger than age 18 (age 21 if a student or unemployed), and orphans younger than age 18. Must not qualify for a social insurance pension.

Income test: Family or individual income must be less than the poverty line. The benefit is not paid if another family member receives an income-tested family allowance.

The poverty line is 110,047 colones in urban areas; 84,535 colones in rural areas (June 2018).

**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 (Pensión No Contributiva, Régimen No Contributivo [RNC], income tested):** At least 82,000 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 for each eligible child, depending on the type of education program (2017).

### **Administrative Organization**

Ministry of Labor and Social Security (<http://www.mtss.go.cr/>) provides general supervision.

Social Development and Family Allowances Fund (FODESAF) (<https://fodesaf.go.cr>) directs the program.

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.

Mixed Institute for Social Assistance (<http://www.imas.go.cr/>) administers the family cash transfer.

## 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 (social security).

**Current law:** 2008 (social security), implemented in 2009.

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

#### Coverage

**Universal:** Residents of Cuba.

**Social insurance:** Public- and private-sector employees.

Special systems for military 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:* 2.5% of monthly earnings up to 20 CUC (500 CUP) and 5% of monthly earnings exceeding 20 CUC (500 CUP).

There are no minimum or maximum earnings used to calculate contributions.

The insured person's contributions also finance cash sickness and maternity benefits, and work injury benefits.

##### Self-employed person

*Universal and social assistance:* None.

*Social insurance:* Not applicable.

##### Employer

*Universal and social assistance:* None.

*Social insurance:* 12.5% (public sector) or 14.5% (private sector) of gross monthly payroll.

There are no minimum or maximum earnings used to calculate contributions.

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

### Government

*Universal and social assistance:* The total cost.

*Social insurance:* Finances any deficit; contributes as an employer.

### Qualifying Conditions

**Old-age pension (Pensión por Edad Ordinaria, 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 involved 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 (Pensión por edad extraordinaria):** 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 (Incremento por mérito excepcional):** 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 (Pensión por Invalidez, 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.

An expert medical commission assesses the degree of disability.

**Constant-attendance supplement (Incremento por asistencia por otra persona):** Paid if the insured requires the constant attendance of others to perform daily tasks.

**Partial disability (Pensión por invalidez parcial):** Must be assessed with a diminished physical and/or mental capacity but able to work under certain conditions.

**Supplement for exceptional merit (Incremento por mérito excepcional):** Paid if the insured had an exceptionally distinguished career.

**Heroic act supplement (Incremento por acto heroico):** Paid if the illness or injury occurred while the insured was

<sup>1</sup> Note: Cuba has a two currency system consisting of the Cuban convertible peso (CUC) and the Cuban peso (CUP).

defending the country, saving lives, preventing violent acts, or protecting public property.

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 (Pensión por causa de Muerte, social insurance):**

The deceased received or was entitled to receive an old-age or disability pension, was employed at the time of death or disappearance, or had ceased employment within the six months before the death or disappearance.

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; orphans 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.

Heroic act supplement (Incremento por acto heroico): Paid if the death occurred while the deceased was defending the country, saving lives, preventing violent acts, or protecting public property.

The survivor pension is not payable abroad.

**Survivor benefit (social assistance, means tested):** Paid to a survivor of an employee or old-age or disability pensioner who was dependent on the deceased, is incapable of any work, and does not qualify for a survivor pension.

**Funeral benefit (Servicios Funerarios, universal, in-kind):** There is no minimum qualifying condition.

### Old-Age Benefits

**Old-age pension (Pensión por Edad Ordinaria, social insurance):** 60% of the insured's average monthly earnings in the best five years of earnings in the last 15 years of employment plus 2% of average monthly earnings for each year of employment exceeding 30 years is paid.

For a pensioner who returns to work, the pension is increased by 2% of his or her new average monthly earnings for each year of employment since reentering the labor force.

Partial pension (Pensión por edad extraordinaria): 40% of the insured's average monthly earnings in the best five years of earnings in 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 (Incremento por mérito excepcional): 10% to 25% of the old-age pension is paid.

The minimum monthly old-age pension is 11.20 CUC (280 CUP).

The maximum monthly old-age pension (including the supplement for exceptional merit) is 90% of the insured's average monthly earnings.

Benefit adjustment: Benefits are adjusted by government decree based on social and economic factors.

**Old-age benefit (social assistance, means tested):** A periodical benefit is paid.

Benefit adjustment: Benefits are adjusted by government decree based on social and economic factors.

### Permanent Disability Benefits

**Disability pension (Pensión por Invalidez, social insurance):** For a total disability, 50% of the insured's average monthly earnings in the best five years of earnings in 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 21 to 30 years of employment plus 2% of average monthly earnings for each year of employment exceeding 30 years.

Constant-attendance supplement (Incremento por asistencia por otra persona): 20% of the disability pension is paid.

The minimum monthly disability pension is 11.20 CUC (280 CUP).

The maximum monthly disability pension (including the heroic act supplement and the supplement for exceptional merit) is 90% of the insured's average monthly earnings.

**Partial disability (Pensión por invalidez parcial):** 60% of the insured's average monthly earnings in the 12 months 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.

Supplement for exceptional merit (Incremento por mérito excepcional): 10% to 25% of the disability pension is paid.

Heroic act supplement (Incremento por acto heroico): 20% of the insured's average monthly earnings in the best five of earnings in the last 15 years of employment is paid.

Benefit adjustment: Benefits are adjusted by government decree based on social and economic factors.

**Disability benefit (social assistance, means tested):** A periodical benefit is paid.

Benefit adjustment: Benefits are adjusted by government decree based on social and economic factors.

### Survivor Benefits

**Survivor pension (Pensión por causa de Muerte, social insurance):** If the deceased received or was entitled to receive an old-age or disability pension, 100% of the old-age or disability pension is paid for the first month; thereafter, 70%, 85%, or 100% of the old-age or disability pension



for one, two, or three or more dependent survivors, respectively. If the deceased was not entitled to receive an old-age or disability pension, 100% of the deceased's earnings is paid for one month. 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 (Incremento por acto heroico): 20% of the deceased's average monthly earnings in the best five years of earnings in the last 15 years of employment is paid.

The minimum monthly survivor pension is 11.20 CUC (280 CUP).

The maximum monthly survivor pension for a working widow is 25% of the combined monthly survivor pension.

Benefit adjustment: Benefits are adjusted by government decree based on social and economic factors.

**Survivor benefit (social assistance, means tested):** A periodical benefit is paid.

Benefit adjustment: Benefits are adjusted by government decree based on social and economic factors.

**Funeral benefit (Servicios Funerarios, universal, in-kind):** Free funeral services are provided.

### Administrative Organization

Ministry of Labor and Social Security (<http://www.mtss.gob.cu/>) oversees and administers the programs through the Directorate of Prevention, Assistance and Social Labor and the National Institute of Social Security (INASS).

Municipal offices of the National Institute of Social Security (INASS) process applications for the social assistance program and provide free funeral services.

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), implemented in 2017.

**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:** Public- and private-sector employees.

Special systems for military 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:* Finances any deficit; contributes as an employer.

#### Qualifying Conditions

**Cash sickness benefit (Subsidio por Enfermedad o Accidente, social insurance):** There is no minimum qualifying period. Must present a medical certificate that validates the sickness.

Medical certification is required every 30 days; a review by a medical committee is required every 26 weeks.

Heroic act supplement (Incremento por acto heroico): Paid if the incapacity 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 (Licencia Retribuida de Maternidad, 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 births) week of pregnancy.

**Maternity social benefit (Prestación Social, social insurance):** Paid for the birth of a child after the cash maternity benefit ends.

**Complementary maternity leave (Licencia Complementaria de Maternidad, social insurance):** Must be currently employed and have at least 75 days of employment in the 12 months before maternity leave.

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

## Sickness and Maternity Benefits

**Sickness benefit (Subsidio por Enfermedad o Accidente, social insurance):** 60% (50% if hospitalized) of the insured's average monthly earnings in the 12 months before the incapacity began is paid after a three-day waiting period (no waiting period if hospitalized) for up to six months or until a disability pension is paid; may be extended for an additional six months with a medical certificate.

Heroic act supplement (Incremento por acto heroico): 20% of the sickness benefit is paid.

The minimum monthly sickness benefit is 50% of the legal monthly minimum wage.

The legal monthly minimum wage is 16 CUC (400 CUP).

The maximum monthly sickness benefit is 90% of the insured's average monthly earnings in the last 12 months.

**Tuberculosis benefit (social insurance):** 100% of the insured's earnings is paid until recovery.

**Maternity benefit (Licencia Retribuida de Maternidad, 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 16 CUC (400 CUP).

Schedule of payments: The maternity benefit is paid in three installments.

**Maternity social benefit (Prestación Social, social insurance):** 60% of the insured's mother's average monthly earnings in the 12 months before the maternity leave is paid until the child is aged 12 months and continues if the mother returns to work. The benefit may be transferred to an employed father or grandparent, in which case 60% of his or her average monthly earnings in the 12 months before childbirth is paid.

**Complementary maternity leave (Licencia Complementaria de Maternidad, 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

**Medical benefits (universal):** 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.

## Dependents' Medical Benefits

**Medical benefits (universal):** Dependents are covered in their own right.

## Administrative Organization

Ministry of Labor and Social Security (<http://www.mtss.gob.cu/>) oversees and administers the program through the Directorate of Prevention, Assistance, and Social Labor and the National Institute of Social Security.

Ministry of Public Health (<https://salud.msp.gob.cu/>) oversees and administers the provision of medical benefits through the National Health System.

## Work Injury

### Regulatory Framework

**First law:** 1916 (work injury).

**Current law:** 2008 (social security), implemented in 2009.

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

### Coverage

Public- and private-sector employees.

Special systems for military personnel, interior ministry staff, self-employed persons, certain artists, musicians, and members of agricultural and nonagricultural cooperatives.

### 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:** Finances any deficit; 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

80% (70% if hospitalized) of the insured's average monthly earnings in the 12 months before the disability began is paid from the first day of disability for up to six months or until certification of a 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 (Incremento por acto heroico): 20% of the temporary disability benefit is paid 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 16 CUC (400 CUP).

The maximum monthly temporary disability benefit (including the heroic act supplement) is 90% of the insured's average monthly earnings in the 12 months before the disability began.

### **Permanent Disability Benefits**

#### **Permanent disability pension (Pensión por Invalidez):**

60% of the insured's average monthly earnings in the best five years of earnings in 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.

Constant-attendance allowance (Incremento por asistencia por otra persona): 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 11.20 CUC (280 CUP).

The maximum monthly permanent disability pension (including the heroic act supplement) is 90% of the insured's average monthly earnings.

Partial disability: 80% of the insured's average monthly earnings in the 12 months 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 earnings before and after the date of disability is paid.

Heroic act supplement (Incremento por acto heroico): 20% of the insured's average monthly earnings in the best five years of earnings in the last 15 years of employment is paid if the disability began while defending the country, saving lives, preventing violent acts, or protecting public property.

### **Workers' Medical Benefits**

The National Health System provides universal medical services, including for work injuries (see Sickness and Maternity).

### **Survivor Benefits**

**Survivor pension (Pensión por causa de Muerte):** If the deceased received or was entitled to receive an old-age or disability pension, 100% of the old-age or disability pension is paid for the first month; thereafter, 70%, 85%, or 100%

of the old-age or disability pension for one, two, or three or more dependent survivors, respectively. If the deceased was not entitled to receive an old-age or disability pension, 100% of the deceased's earnings is paid for one month. The pension is split equally among all eligible survivors.

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.

Heroic act supplement (Incremento por acto heroico): 20% of the deceased's average monthly earnings in the five years of highest earnings in 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; orphans 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 11.20 CUC (280 CUP).

The maximum monthly survivor pension for a working widow is 25% of the combined monthly survivor pension.

Benefit adjustment: Benefits are adjusted by government decree, based on social and economic factors.

### **Administrative Organization**

Ministry of Labor and Social Security (<http://www.mtss.gob.cu/>) oversees and administers the program through the Directorate of Prevention, Assistance, and Social Labor and the National Institute of Social Security.

Ministry of Public Health (<https://salud.msp.gob.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.

Note: The public assistance program provides a noncontributory social assistance pension of EC\$300 a month to needy persons older than age 70 who have no other source of income.

#### Coverage

Employed and self-employed persons, and apprentices.

Voluntary coverage is available.

#### Source of Funds

**Insured person:** 6.0% (gradually rising by 0.25% every two years until reaching 7.50% in 2031) of weekly covered earnings; 10.65% (gradually rising by 0.25% each year until reaching 13.65% in 2031) 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\$84,000.

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

**Self-employed person:** 12% (gradually rising by 0.25% each year until reaching 15% in 2031) of covered declared income for the previous year.

Self-employed persons may pay contributions monthly or quarterly.

The minimum annual earnings used to calculate contributions are EC\$7,200.

The maximum annual earnings used to calculate contributions are EC\$84,000.

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

**Employer:** 6.75% (gradually rising by 0.25% every two years until reaching 8.25% in 2031) of weekly or monthly covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are EC\$84,000.

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

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

#### Qualifying Conditions

**Old-age pension:** Age 64 (rising by six months a year until reaching age 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 work injury temporary disability benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received work injury permanent total disability 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.

The old-age pension is payable abroad.

**Old-age grant:** Age 64 (rising by six months a year until reaching age 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 work injury temporary disability benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received work injury permanent total disability benefits.

The old-age grant is 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 work injury temporary disability benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received work injury permanent total disability benefits.

A registered medical practitioner assesses the incapacity for work.

The disability pension ceases at the normal retirement age and is replaced by an old-age pension of the same value.

The disability pension is payable abroad if the purpose of travel is to receive medical treatment.



**Disability grant:** Must be younger than age 60, assessed with a permanent incapacity for work, and have at least 50 weeks but less than 150 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or work injury temporary disability benefits. Contributions may be credited under certain conditions for each complete contributory week the insured received work injury permanent total disability benefits.

A registered medical practitioner assesses the incapacity for work.

The disability grant is 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 orphans 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 widow(er) or dependent orphan.

The survivor pension ceases upon remarriage or cohabitation.

The survivor pension is payable abroad.

**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 deceased received sickness, maternity, or work injury temporary disability benefits. Contributions may be credited under certain conditions for each complete contributory week the deceased received work injury permanent total disability benefits.

The survivor grant is payable abroad.

**Funeral grant:** The deceased received or was entitled to receive an old-age, disability, sickness, maternity, or work injury 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.

The funeral grant is not payable abroad.

### Old-Age Benefits

**Old-age pension:** 30% of the insured's average earnings plus 1% for every 50 weeks of paid or credited 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.

The maximum monthly old-age pension is 60% of the insured's average monthly earnings.

**Early pension:** The pension is reduced by 0.5% for each month it is claimed before the normal retirement age.

**Deferred pension:** The pension increases by 6% for each complete year of deferral after the normal retirement age.

**Old-age grant:** A lump sum of three times the insured's average weekly earnings is paid for every 50 weeks of paid or credited contributions.

Average weekly earnings are the insured's total covered earnings divided by the total number of weeks of contributions.

**Benefit adjustment:** Benefits are adjusted every three years based on changes in the consumer price index, up to a maximum of 5%.

### Permanent Disability Benefits

**Disability pension:** 30% of the insured's average earnings plus 1% of average earnings for every 50 weeks of paid or credited contributions exceeding 500 weeks is paid.

Average earnings are based on the insured's best 10 years of earnings in the last 15 years; if the number of years worked is less than 10, the average is based on insured's total earnings.

The minimum weekly disability pension is EC\$75.

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 earnings is paid for every 50 weeks of paid or credited contributions.

Average weekly earnings are the insured's total covered earnings divided by the total number of weeks of contributions.

**Benefit adjustment:** Benefits are adjusted every three years based on changes in the consumer price index, up to a maximum of 5%.

### 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.

A widow(er) can receive a survivor pension and either an old-age pension or a disability pension at the same time. The total amount received is 100% of the higher pension and 50% of the lower pension.

**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 orphans (33% if a full orphan or disabled). If there are more than two orphans, 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 pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

**Benefit adjustment:** Survivor pensions are adjusted every three years based on changes in the consumer price index, up to a maximum of 5%.

**Survivor grant:** A lump sum of three times the deceased's average weekly earnings is paid for every 50 weeks of paid or credited contributions.

Average weekly earnings are the insured's total covered earnings divided by the total number of weeks of contributions.

**Benefit adjustment:** The survivor grant is adjusted every three years based on changes in the consumer price index, up to a maximum of 5%.

**Funeral grant:** A lump sum is paid to the person who pays for the funeral. EC\$3,000 is paid when the insured dies; EC\$2,500 for the death of an uninsured spouse; or EC\$1,250 for the death of a dependent child.

**Benefit adjustment:** The funeral grant for insured persons increases by EC\$300 every three years; the grant amounts for other eligible persons increase proportionally at the same time.

### Administrative Organization

Ministry of Finance (<http://finance.gov.dm/>) provides general supervision.

Dominica Social Security (<https://www.dss.dm/>), governed by the Social Security Board, administers the social insurance program and collects contributions.

Division of Social Welfare of the Ministry of Social Services, Family and Gender Affairs 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 and 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:** None; contributes as an employer.

#### Qualifying Conditions

**Cash sickness benefit:** Employed persons must have at least 13 weeks of covered employment immediately before the incapacity began, including at least eight weeks of paid contributions. Self-employed persons must have at least 52 weeks of covered self-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.

A registered medical practitioner assesses the incapacity for work.

**Cash maternity benefit:** Employed persons must have at least 30 weeks of contributions, including at least 20 weeks in the 30 weeks 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 weeks 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 from three weeks before until nine weeks after the expected date of childbirth; under certain conditions, the benefit may be paid from six weeks before until up to six weeks after the expected date of childbirth for a maximum period of 12 weeks.

**Maternity grant:** A lump sum of EC\$575 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**

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 (<https://www.dss.dm/>), governed by the Social Security Board, administers the program and collects contributions.

### **Work Injury**

#### **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.

Voluntary coverage is not available.

Exclusions: Self-employed persons.

#### **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. There is no minimum qualifying period. 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, depending on 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 registered medical practitioner 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 (Death Benefit)**

**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 spouse's 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 unmarried dependent orphans younger than age 16 (age 21 if a student, unmarried, and unemployed; no limit if disabled). If there are more than two eligible 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 pension is 100% of the permanent disability benefit the deceased received or was entitled to receive.

**Funeral grant:** See funeral grant under Old Age, Disability, and Survivors.

### **Administrative Organization**

Ministry of Finance (<http://finance.gov.dm/>) provides general supervision.

Dominica Social Security (<https://www.dss.dm/>), governed by the Social Security Board, administers the social insurance program and collects contributions.

## ***Unemployment***

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### ***Regulatory Framework***

The Protection of Employment Act (1984) requires private-sector employers to contribute 0.25% of the employee's covered earnings to the Redundancy Benefit Fund to finance mandatory redundancy pay in cases of redundancy for employees with at least three years of continuous service. The benefit amount varies depending on the length of service: with up to five years of service, 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 at least five years but less than 10 years of service, nine weeks of pay plus two weeks for each year of service exceeding five years; with at least 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). Managerial staff, household workers, family workers, and certain dock workers are excluded.

## ***Family Allowances***

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### ***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 (EC\$300 a month if disabled), up to a maximum of EC\$375 a month per family.

## Dominican Republic

Exchange rate: US\$1.00 = 50.45 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1947 (civil servants).

**Current laws:** 2001 (social security), implemented in 2004; 2005 (contribution exemptions); 2007 (settlement of arrears); 2009 (amnesty for nonpayment of employer contributions); 2016 (police personnel); and 2017 (commercial drivers).

**Type of program:** Mandatory individual account system.

Note: The pay-as-you-go social insurance program 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 program and private-sector pensioners who began receiving their pensions before June 2003. Public-sector workers who opted not to join the individual account program remain in the separate social insurance program 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 is in the process of being implemented.

#### Coverage

Public- and private-sector employees aged 45 or younger in 2003.

Voluntary coverage for citizens of the Dominican Republic living abroad, and for public- and private-sector employees older than age 45 in 2003. Once enrolled, an insured person may not opt out.

Exclusions: Self-employed persons.

Special systems for elected or appointed officials in the judiciary and legislative system, employees of the central bank of the Dominican Republic, teachers, and certain employees of the Ministry of Finance.

#### Source of Funds

**Insured person:** 2.87% of monthly covered earnings. Additional voluntary contributions are possible.

The minimum monthly earnings used to calculate contributions are the average monthly minimum wage for private-sector employees.

The maximum monthly earnings used to calculate contributions are 20 times the average monthly minimum wage for private-sector employees.

The average monthly minimum wage for private-sector employees is 11,826.40 pesos (13,482 pesos as of August 1, 2019).

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.

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

**Employer:** 7.1% of monthly covered payroll. Additional voluntary contributions are possible.

The minimum monthly earnings used to calculate contributions are the average monthly minimum wage for private-sector employees.

The maximum monthly earnings used to calculate contributions are 20 times the average monthly minimum wage for private-sector employees.

The average monthly minimum wage for private-sector employees is 11,826.40 pesos (13,482 pesos as of August 1, 2019).

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.

**Government:** Partially finances the guaranteed minimum pension; finances the value of accrued rights for those who made contributions under the old social insurance program; contributes as an employer.

#### Qualifying Conditions

**Old-age pension (Pensión por vejez):** 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 monthly pension of at least 150% of the minimum monthly old-age pension.

Unemployed worker's old-age pension (Pensión por cesantía por edad avanzada): Aged 57 to 59, unemployed, and have at least 25 years of contributions. (If the insured has less than 25 years of contributions, he or she can continue contributing to reach 25 years or claim a partial pension.)

Guaranteed minimum pension (Solidarity Fund): Age 65 (age 57 if receiving an unemployed worker's old-age pensioner) with at least 25 years of contributions and have an individual account balance that is insufficient to finance the minimum monthly old-age pension.



## Dominican Republic

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The minimum monthly old-age pension is the lowest legal monthly minimum wage for private-sector employees or the legal monthly minimum wage for public-sector employees, depending on the insured's sector of employment.

The lowest legal monthly minimum wage for private-sector employees is 9,411.60 pesos (November 2017); the legal monthly minimum wage for public-sector employees is 10,000 pesos.

The old-age pension is payable abroad under certain conditions.

**Old-age benefit (Pensión por ingreso tardío):** Age 60, unemployed for at least 30 days, and does not qualify for the old-age pension. Must have made the first contribution to the individual account program at age 45 or older.

**Disability pension (Pensión por discapacidad):** Must have at least a 66.7% assessed loss of earning capacity and have exhausted sickness benefits. The disability must be the result of a chronic illness or nonwork-related accident.

Partial disability: Must have an assessed loss of earning capacity of at least 50% but less than 66.7%.

A regional medical committee assesses the loss of earning capacity. The national medical committee may revise, validate, or reject the decision of a regional medical committee.

The disability pension is payable abroad.

**Disability settlement:** Must have been diagnosed with a terminal illness and not qualify for any other social insurance benefit.

Employment must cease.

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.

**Survivor pension (Pensión por sobrevivencia):** 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 orphans younger than age 18 (age 21 if a full-time student, no limit if disabled).

The survivor pension is payable abroad.

**Survivor settlement:** Paid to legal heirs if there is no eligible survivor for the survivor pension.

### Old-Age Benefits

**Old-age pension (Pensión por vejez):** The insured has two payment options: purchase a price-indexed annuity or make programmed withdrawals. (The value of accrued rights under the social insurance program is combined with the account balance at retirement.)

Early pension: Calculated in the same way as the old-age pension.

Unemployed worker's old-age pension (Pensión por cesantía por edad avanzada): Calculated in the same way as the old-age pension.

Guaranteed minimum pension (Solidarity Fund): The difference between the insured's account balance and the account balance needed to finance the minimum monthly old-age pension is paid.

The minimum monthly old-age pension is the lowest legal monthly minimum wage for private-sector employees or the legal monthly minimum wage for public-sector employees, depending on the insured's sector of employment.

The lowest legal monthly minimum wage for private-sector employees is 9,411.60 pesos (November 2017); the legal monthly minimum wage for public-sector employees is 10,000 pesos.

Benefit adjustment: Benefits are adjusted based on changes in the legal monthly minimum wage for public- and private-sector employees.

**Old-age benefit (Pensión por ingreso tardío):** If the account balance is sufficient to finance the minimum monthly old-age pension, the insured has two payment options: purchase a price-indexed annuity or make programmed withdrawal. If the account balance is insufficient, a lump sum of the account balance is paid.

The minimum monthly old-age pension is the lowest legal monthly minimum wage (private-sector employees) or the legal monthly minimum wage (public-sector employees).

The lowest legal monthly minimum wage for private-sector employees is 9,411.60 pesos (November 2017); the legal monthly minimum wage for public-sector employees is 10,000 pesos.

### Permanent Disability Benefits

**Disability pension (Pensión por discapacidad):** 60% of the insured's average indexed covered earnings in the three years immediately before the disability began is paid. The disability pension is financed by the disability insurance provided by an insurance company 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 his or her account balance to purchase a price-indexed annuity or make programmed withdrawals.

Partial disability: 30% of the insured's average indexed covered 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 periodically based on changes in the consumer price index.

**Disability settlement:** The account balance is paid as a lump sum.

### Survivor Benefits

**Survivor pension (Pensión por sobrevivientes):** 60% of the deceased's average indexed covered earnings in the last three years is paid. (Life insurance tops up the deceased's individual account if the balance is less than the required minimum to finance the survivor pension.)

The survivor 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 periodically based on changes in the consumer price index.

**Survivor settlement:** The account balance is paid as a lump sum.

### Administrative Organization

National Social Security Board (CNSS) (<http://www.cnss.gob.do/>) is responsible for policy development and provides overall governance of the social security system.

Superintendent of Pensions (SIPEN) (<http://www.sipen.gob.do/>) supervises implementation of legislation.

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:** 1948 (social insurance), implemented in 1949.

**Current law:** 2001 (social security), implemented in 2007.

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

#### Coverage

**Social insurance:** Employed persons, including public-sector employees not covered by a special system; and pensioners (medical benefits only).

**Exclusions:** Self-employed persons.

Special systems for elected or appointed officials in the judiciary and legislative system, employees of the central bank of the Dominican Republic, certain employees of the

Ministry of Finance, and certain former police and military personnel.

**Social assistance:** Needy residents of the Dominican Republic.

### Source of Funds

#### Insured person

**Social insurance:** 3.04% of monthly covered earnings; 6.3% of their monthly covered earnings for persons receiving public-sector pensions.

The minimum monthly earnings used to calculate contributions are the average monthly minimum wage for private-sector employees.

The maximum monthly earnings used to calculate contributions are 10 times the average monthly minimum wage for private-sector employees.

The average monthly minimum wage for private-sector employees is 11,826.40 pesos (13,482 pesos as of August 1, 2019).

**Social assistance:** None.

#### Self-employed person

**Social insurance:** Not applicable.

**Social assistance:** None.

#### Employer

**Social insurance:** 7.09% of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are the average monthly minimum wage for private-sector employees.

The maximum monthly earnings used to calculate contributions are 10 times the average monthly minimum wage for private-sector employees.

The average monthly minimum wage for private-sector employees is 11,826.40 pesos (13,482 pesos as of August 1, 2019).

**Social assistance:** None.

#### Government

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

**Social assistance:** The total cost.

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have at least 12 months of contributions before the incapacity began.

**Cash maternity benefit (social insurance):** Must have at least eight months of contributions in the 12 months before childbirth and not work during the period in which the benefit is paid.

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

Paid for a child younger than 12 months.

Income test: The insured's monthly covered earnings must be less than three times the legal monthly minimum wage.

The legal monthly minimum wage for private-sector employees 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 employees is 10,000 pesos.

**Medical benefits (Basic health plan, social insurance):**

Must have at least one month of contributions (except in case of an emergency and for child delivery).

Eligible dependents include a spouse or cohabiting partner and children up to age 18 (age 21 if a full-time student, no limit if disabled). Children older than age 21 and the insured's dependent parents may be covered under certain conditions.

**Medical benefits (Basic health plan, social assistance, means tested):**

Provided to unemployed persons and their families, persons with disabilities, indigent persons and their families, single mothers; and self-employed persons and persons older than age 60 with monthly income below the average monthly minimum wage for private-sector employees.

The average monthly minimum wage for private-sector employees is 11,826.40 pesos (13,482 pesos as of August 1, 2019).

Means test: The household must be classified as poor and vulnerable based on the Quality of Life Index (Indice de Calidad de Vida, ICV) administered by the SIUBEN.

The ICV is a targeting system used to identify poor and vulnerable families based on their income, consumption patterns, housing conditions, and access to public services.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 60% of the insured's average monthly 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, income tested):**

A percentage of the insured's monthly covered earnings is paid for up to 12 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 employees 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 employees is 10,000 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: The insured pays 30% of the cost of prescription drugs.

**Medical benefits (Basic health plan, social assistance, means tested):**

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: There is no cost sharing for prescription drugs.

### Dependents' Medical Benefits

**Medical benefits (Basic health plan, social insurance):**

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.

**Medical benefits (Basic health plan, social assistance, means tested):**

Benefits for dependents are the same as those for the primary beneficiary. 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/>) is responsible for policy development and 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 implementation of legislation.

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 (work injury).

**Current law:** 2001 (social security), implemented in 2004.

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

### Coverage

Public- and private-sector employees, and military and police personnel.

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 depending on the assessed degree of risk. The average contribution is 1.2% of monthly covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are four times the average monthly minimum wage.

The average monthly minimum wage is 11,826.40 pesos (13,482 pesos as of August 2019).

**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.

A medical board assesses the degree of disability.

### Temporary Disability Benefits

75% of the insured's base salary is paid after a three-day period for up to 52 weeks (the employer pays 75% of the insured's base salary the first three days). 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 daily covered earnings in the six months before the disability began (or over the total contribution period if less than six months).

### Permanent Disability Benefits

For a severe total disability (a 100% assessed degree of disability, totally disabled, and in need of constant attendance), 100% of the insured's base salary is paid; for a permanent total disability for any work (at least a 67% assessed degree of disability), 70% of base salary is paid; and for a permanent total disability for usual work (an assessed degree of

disability of at least 50% but less than 66%), 50% of base salary is paid.

**Partial disability:** For an assessed degree of disability of at least 15% but less than 50%, a lump sum of five to 10 times the insured's base salary is paid.

The base salary is the insured's average monthly covered earnings in the six months before the disability began (or over the total contribution period if less than six months).

**Benefit adjustment:** Benefits are adjusted every two years.

### 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. A lump sum of two years of the spouse's pension is paid to a widow(er) or partner younger than age 45.

The spouse's pension ceases upon (re)marriage.

**Remarriage settlement:** A lump sum of two years of the spouse's pension is paid to a widow(er) or partner receiving a monthly pension upon (re)marriage.

**Orphan's pension:** 20% of the permanent disability pension the deceased received or was entitled to receive is paid to each orphan younger than age 18 (age 21 if a full-time student, no limit if disabled), up to five.

The maximum combined orphan's pension is 100% of the permanent disability pension the deceased received or was entitled to receive.

### Administrative Organization

National Social Security Board (CNSS) (<http://www.cnss.gob.do/>) is responsible for policy development and provides overall governance of the social security system.

Superintendent of Health and Labor Risks (SISALRIL) (<http://www.sisalril.gov.do/>) supervises implementation of legislation.

Labor Risk Management Fund (<http://www.arlss.gov.do/>) administers the work injury program.

### Unemployment

#### 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



## Dominican Republic

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employment; 13 days of salary with at least six but less than 12 months; 21 days of salary for each year of service with at least one but less than five years; and 23 days of salary for each year of service with at least five years of service.

### 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.

Note: A 2001 law introduced a social assistance benefit for single mother without family support, which is in the process of being implemented. Provisions of the law are included below.

#### Coverage

Needy residents of the Dominican Republic.

#### Source of Funds

**Insured person:** None.

**Self-employed persons:** None.

**Employer:** None.

**Government:** The total cost.

#### Qualifying Conditions

**Single mother's pension (income tested):** Paid for a single mother with children younger than age 18 and attending school. The mother must be unemployed or have irregular income, and not be economically dependent on a person insured for social insurance benefits.

Income test: Household income must not exceed a certain limit.

**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:** The household must be classified as moderately or extremely poor based on the Quality of Life Index (Indice de Calidad de Vida, ICV) administered by the SIUBEN.

The ICV is a targeting system used to identify poor and vulnerable families based on their income, consumption patterns, housing conditions, and access to public services.

#### Family Allowance Benefits

**Single mother's pension (income tested):** 60% of the legal monthly minimum wage for public-sector employees is paid.

The legal monthly minimum wage for public-sector employees is 10,000 pesos.

**Schedule of payments:** Twelve monthly payments a year plus a 13th payment for Christmas.

**Benefit adjustment:** Benefits are adjusted based on 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

National Social Security Board (CNSS) (<http://www.cnss.gob.do/>) is responsible for policy development and provides overall governance of the social security system.

Provinces and municipalities administer the single mother's pensions under the supervision of CNSS and SIPEN.

Cabinet for the Coordination of Social Policy, under the Vice Presidency, provides general oversight of the solidarity cash transfer.

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 (\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1928 (social security).

**Current laws:** 2001 (social security), 2003 (social pensions), 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 an individual account program to complement the social insurance program has not been implemented yet.

A 2018 decree introduced a new old-age social pension (Pensión Mis Mejores Años) and disability social pension (Pensión Toda Una Vida), each of which pays \$100 a month. Once rolled out across the country, these pensions will completely replace the social assistance old-age and disability pensions.

#### Coverage

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

Voluntary coverage for persons without mandatory coverage, including citizens of Ecuador residing abroad.

Special systems for agricultural workers and small-scale fishermen and for unpaid home-based workers.

**Social assistance:** Needy residents 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 monthly earnings, plus 0.1% of gross monthly earnings for the special disability pension. The voluntarily insured pay 8.86% of gross monthly earnings plus 0.1% of gross monthly earnings for the special disability pension.

The minimum monthly earnings used to calculate contributions are \$394.

There are no maximum earnings used to calculate contributions.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 8.86% of gross monthly declared earnings plus 0.1% of gross monthly declared earnings for special disability pension.

The minimum monthly earnings used to calculate contributions are \$394.

There are no maximum earnings used to calculate contributions.

**Social assistance:** None.

##### Employer

**Social insurance:** 2.22% of gross monthly payroll.

The minimum monthly earnings used to calculate contributions are \$394.

There are no maximum earnings used to calculate contributions.

**Social assistance:** None.

##### Government

**Social insurance:** Covers 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 (Jubilación Ordinaria por Vejez, 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.

Employment must cease at the time the claim is made, but it may resume afterwards. During the first year of receiving the pension, a pensioner who resumes employment must work for an employer other than the one that certified the pension claim.

**Old-age social pension (Pensión para Adultos Mayores, social assistance, income tested):** Age 65 and not receiving or entitled to receive any social insurance benefit.

**Income test:** The family's income must be in the bottom 40% of all household incomes according to the SIIRS.

The SIIRS is a national registry used to identify needy families.

**Disability pension (Jubilación por Invalidez, social insurance):** Must have at least a 50% assessed loss of earning capacity and at least 60 months of contributions, including contributions 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 (Jubilación Especial de Discapacidad, social insurance):** Must have at least a 30% assessed degree of disability and at least 300 (physical

disability) or 240 (mental disability) months of contributions; no contribution requirements for a total (100%) or absolute disability.

**Disability social pension (Pensión para Personas con Discapacidad, social assistance, income tested):** Must have at least a 40% assessed degree of disability and not be receiving or entitled to receive any social insurance benefit.

Income test: The family's income must be in the bottom 40% of all household incomes according to the SIIRS.

The SIIRS is a national registry used to identify 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: The family must be assessed as vulnerable, or living in poverty or extreme poverty, based on the SIIRS; no income test if the beneficiary is diagnosed with HIV/AIDS and is younger than age 14.

The SIIRS is a national registry used to identify needy families.

**Survivor pension (Pensión de Montepío, 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 orphans 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) or partner's pension ceases upon (re)marriage or cohabitation.

**Funeral grant (Auxilio de Funerales, 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 (Jubilación Ordinaria por Vejez, social insurance):** A percentage of the insured's average monthly earnings is paid based on the insured's years of contributions: 43.75% with five years of contributions, increasing by 1.25% for each additional year of contributions up to 35 years. 83.25% of the insured's average monthly earnings is paid with 36 years of contributions, 86.05% with 37 years, 89.70% with 38 years, 94.30% with 39 years, or 100% with 40 years of contributions. The pension is

increased by 1.25% of average monthly earnings for each year of contributions exceeding 40 years.

Average monthly earnings are based on the insured's best five years of earnings.

The minimum monthly old-age pension is \$197.

The maximum monthly old-age pension is \$2,167.

Schedule of payments: 12 monthly payments plus two bonus payments a year.

Benefit adjustment: The old-age pension is adjusted annually based on the average inflation rate in the previous year.

**Old-age social pension (Pensión para Adultos Mayores, social assistance, income tested):** \$50 a month is paid.

### **Permanent Disability Benefits**

**Disability pension (Jubilación por Invalidez, social insurance):** A percentage of the insured's average monthly earnings is paid based on the insured's years of contributions: 43.75% with five years of contributions, increasing by 1.25% for each additional year of contributions up to 35 years. 83.25% of the insured's average monthly earnings is paid with 36 years of contributions, 86.05% with 37 years, 89.70% with 38 years, 94.30% with 39 years, or 100% with 40 years of contributions. The pension is increased by 1.25% of average monthly earnings for each year of contributions exceeding 40 years.

Average monthly earnings are based on the insured's best five years of earnings.

The minimum monthly disability pension is \$197.

The maximum monthly disability pension is \$2,167.

Schedule of payments: 12 monthly payments plus two bonus payments a year.

Benefit adjustment: The disability pension is adjusted annually based on the average inflation rate in the previous year.

**Special disability pension (Jubilación Especial de Discapacidad, social insurance):** 68.75% of the insured's average monthly earnings in the best five years of earnings is paid.

The minimum monthly special disability pension is \$197.

The maximum monthly special disability pension is \$2,167.

Schedule of payments: 12 monthly payments plus two bonus payments a year.

Benefit adjustment: The special disability pension is adjusted annually based on the average inflation rate in the previous year.

**Disability social pension (Pensión para Personas con Discapacidad, 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 (*Pensión de Montepío, 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.

*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 orphans.

*Other dependent's pension:* In the absence of an eligible widow(er), partner, or orphan, 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.

The minimum monthly combined survivor pension is \$197.

The maximum monthly combined survivor pension is \$1,737 (2018).

Benefit adjustment: Benefits are adjusted annually based on the average inflation rate in the previous year.

### Funeral grant (*Auxilio de Funerales, social insurance*):

A lump sum of up to \$1,357.73 is paid.

## Administrative Organization

Ecuadorian 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 pensions as part of the Bono de Desarrollo Humano program (see Family Allowances) and pays the caregiver allowance.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1935 (social insurance), implemented in 1942.

**Current law:** 2001 (social security).

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

### Coverage

**Social insurance:** Employed and self-employed persons; and beneficiaries of old-age, disability, work injury, or survivor benefits (medical benefits only).

Voluntary coverage for persons without 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 monthly covered earnings for other public-sector employees; 9% of gross monthly covered earnings for the voluntarily insured.

Insured persons may insure their spouse with an additional contribution of 3.41% of gross monthly covered earnings; beneficiaries of an old-age, disability, or work injury pension may insure a spouse with an additional contribution of 4.15% of the monthly pension and children younger than 18 with an additional contribution of 3.41% of the monthly pension.

The minimum monthly earnings used to calculate contributions are \$394.

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 \$394.

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 \$394.

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; contributes as an employer.

*Employer liability:* None.

## Qualifying Conditions

**Cash sickness benefit (*Subsidio de Enfermedad, 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 (Subsidio de Maternidad, 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.

Eligible dependents include a worker's children up to age 18, and beneficiaries of the orphan's pension.

### **Sickness and Maternity Benefits**

**Sickness benefit (Subsidio de Enfermedad, 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; thereafter, 66% is paid for up to 112 days. (The employer pays 50% of the insured's earnings during the first three days of incapacity.)

**Maternity benefit (Subsidio de Maternidad, 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. The benefit is paid for an additional 10 days for multiple births. (The Ecuadorian Social Security Institute pays 75% of the cost of the benefit, and the employer pays the remaining 25%.)

### **Workers' Medical Benefits**

**Medical benefits (social insurance):** Medical facilities operated by the Ecuadorian 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**

**Medical benefits (social insurance):** Benefits for dependents are the same as for the insured.

### **Administrative Organization**

Ecuadorian Social Security Institute (<https://www.iess.gob.ec/>), through its Directive Council, regulates, administers, and collects contributions to the programs and operates its own clinics, dispensaries, and hospitals.

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## **Work Injury**

### **Regulatory Framework**

**First law:** 1964 (work injury insurance).

**Current law:** 2001 (social security) and 2015 (labor justice and domestic work).

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

### **Coverage**

Employed and self-employed persons.

Voluntary coverage for persons without mandatory coverage.

Exclusions: Citizens of Ecuador residing abroad.

### **Source of Funds**

**Insured person:** None; 0.2% of gross monthly covered earnings for the voluntarily insured.

The minimum monthly earnings used to calculate contributions are \$394.

There are no maximum earnings used to calculate contributions.

**Self-employed person:** 0.2% of gross monthly covered declared earnings.

The minimum monthly earnings used to calculate contributions are \$394.

There are no maximum earnings used to calculate contributions.

**Employer:** 0.2% of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are \$394.

There are no maximum earnings used to calculate contributions.

**Government:** Covers 40% of the cost of work injury pensions; contributes as an employer.

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease. Must have at least six months or 180 days of contributions for a disability resulting from an occupational disease. Accidents that occur while commuting to or from work are covered.

### **Temporary Disability Benefits**

75% of the insured's average earnings 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% of the insured's average earnings is paid for up to one additional year.



Average earnings are based on the insured's earnings in the three months before the disability began.

### Permanent Disability Benefits

**Permanent disability pension (Pensión por Incapacidad Permanente):** 80% of the insured's average monthly earnings is paid if the insured is assessed with a total disability that does not require the constant attendance of others; 100% of average monthly earnings if the insured requires the constant attendance of others to perform daily functions.

Average monthly earnings are based on the insured's covered earnings the last year before the disability began or in the last five years, whichever is greater

Partial disability (Indemnización Global Única por Incapacidad Permanente Parcial): For an assessed partial disability, a lump sum of 60 times the insured's average monthly earnings in the year before the disability began (over the total contribution period if less than one year) multiplied by the assessed degree of disability is paid.

The maximum partial disability benefit is 100 times the minimum monthly earnings used to calculate contributions.

The minimum monthly earnings used to calculate contributions are \$394.

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 benefit amount.

### Workers' Medical Benefits

Benefits include medical and surgical care, hospitalization, appliances, and rehabilitation.

### Survivor Benefits

#### Survivor pension (Pensión de Montepío)

**Spouse's pension:** 60% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow(er) or registered 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 orphans younger than age 18 (no limit if disabled).

**Other dependent's pension:** If there is no eligible widow(er), partner, or orphan, 40% of the permanent disability pension the deceased received or was entitled to receive is split equally among a dependent mother and a dependent father with a disability.

The minimum monthly combined survivor pension is \$197.

The maximum monthly combined survivor pension is \$1,737 (2018).

**Funeral grant (Auxilio de Funerales):** A lump sum of up to \$1,357.73 is paid.

### Administrative Organization

Ecuadorian Social Security Institute (<https://www.iess.gob.ec/>), through its Directive Council, regulates, administers, and collects contributions to the program.

### Unemployment

#### 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:** Public- and private-sector employees.

Exclusions: Self-employed persons, agricultural workers, small-scale fishermen, and unpaid home-based workers.

**Mandatory individual account:** Employed persons.

Exclusions: Self-employed persons.

#### Source of Funds

##### Insured person

**Social insurance:** None.

**Mandatory individual account:** 2% of gross monthly covered earnings.

The minimum monthly earnings used to calculate contributions are \$394.

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 monthly covered payroll.

The minimum monthly earnings used to calculate contributions are \$394.

There are no maximum earnings used to calculate contributions.

**Mandatory individual account:** None.



## Government

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

*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. The benefit is paid after 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 began 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 remaining in the individual account.

The social insurance 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 dies, the benefit is paid to a widow, a disabled widower, orphans younger than age 18, or, if there is no widow(er) or orphan, certain other surviving relatives.

## Administrative Organization

Ecuadorian Social Security Institute (<https://www.iess.gob.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), 2013 (conditional cash transfer increment), and 2019 (social assistance benefits).

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

## Coverage

Needy citizens of Ecuador.

## Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

## Qualifying Conditions

**Family cash transfer (Bono de Desarrollo Humano, income tested):** Paid to vulnerable families who meet certain requirements related to health, education, housing, eradication of child labor, and family development.

**Income test:** Must be registered as living in poverty or extreme poverty in the SIIRS.

The SIIRS is a national registry used to identify needy families.

**Child supplement (Bono de Desarrollo Humano con Componente Variable):** Paid to families living in extreme poverty with children younger than age 18.

## Family Allowance Benefits

**Family cash transfer (Bono de Desarrollo Humano, income tested):** \$50 a month is paid to the head of household.

**Child supplement (Bono de Desarrollo Humano con Componente Variable):** \$30.00 a month is paid for the first child younger than age 5, \$27.00 a month for the second, and \$24.30 a month for the third. \$10 a month is paid for the first child aged 5 to 17, \$9.00 a month for the second, and \$8.10 a month for the third.

The maximum monthly family cash transfer is \$150.

## 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 (\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1949 (social insurance); 1953 (social insurance fund); 1968 (old-age, disability, and survivor insurance), implemented in 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 program are covered under the old pay-as-you-go social insurance program. The government has issued indexed bonds to individual account participants who made contributions under the social insurance program. The bond is equal to an insured person's social insurance contributions plus accrued interest.

In June 2017, new enrolments for the universal basic old-age pension ceased; persons enrolled in the pension before this date can continue to receive benefits.

#### 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 with severe or high prevalence of extreme poverty.

#### Source of Funds

##### Insured person

**Mandatory individual account:** 7.25% of monthly covered earnings.

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

The legal monthly minimum wage ranges from \$202.88 (agriculture and cotton sector) to \$304.17 (commerce and service sector), depending on the economic sector.

The maximum earnings used to calculate contributions are \$6,500 (January 2019).

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 \$207.60.

**Social assistance:** None.

##### Self-employed person

**Mandatory individual account:** 15% of monthly covered declared earnings.

Of the self-employed person's contributions, 8.05% (gradually rising to 11.1% by 2050) is allocated to the individual account, 0.8797% to disability and survivor insurance, 1.0703% for administrative fees, and 5% (gradually decreasing to 2% by 2050) to the Solidarity Guarantee Fund.

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

The legal monthly minimum wage ranges from \$202.88 (agriculture and cotton sector) to \$304.17 (commerce and service sector), depending on the economic sector.

The maximum earnings used to calculate contributions are \$6,500 (January 2019).

**Social assistance:** None.

##### Employer

**Mandatory individual account:** 7.75% of monthly covered payroll.

Of the employer's contributions, 0.8% (gradually rising to 3.85% by 2050) is allocated to the individual account, 0.8797% to disability and survivor insurance, 1.0703% for administrative fees; and 5% (gradually decreasing to 2% by 2050) to the Solidarity Guarantee Fund.

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

The legal monthly minimum wage ranges from \$202.88 (agriculture and cotton sector) to \$304.17 (commerce and service sector), depending on the economic sector.

The maximum monthly earnings used to calculate contributions are \$6,500 (January 2019).

**Social assistance:** None.

##### Government

**Mandatory individual account:** Provides subsidies as needed; contributes as an employer.

**Social assistance:** The total cost.

## Qualifying Conditions

**Old-age pension (Pensión de Vejez, 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 (Pensión de vejez mínima garantizada): 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 \$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 (Pensión de longevidad): 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.

Longevity benefit (Beneficio de longevidad): Paid when the account balance is exhausted after being used to finance the permanent old-age 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 (Devolución de Saldo, mandatory individual account):** Age 60 (men) or age 55 (women) with less than 25 years of contributions.

**Basic old-age pension (Pensión Básica Universal, Programa Nuestros Mayores Derechos, social assistance, income tested):** Age 70, not receiving any other pension, and never contributed to social security during his or her working life.

**Disability pension (Pensión de Invalidez, mandatory individual account):** Must be assessed with at 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% and meet the contribution requirements for a total disability pension.

Guaranteed minimum disability pension (Pensión de invalidez mínima garantizada): 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 degree of disability.

**Survivor pension (Pensión de Sobrevivencia, 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, orphans younger than age 18 (age 24 if a student; no limit if disabled), and dependent parents.

Guaranteed minimum survivor pension (Pensión de sobrevivencia mínima garantizada): 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 (Pensión de Vejez, 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 these two options. (For workers who opted to switch from the old social insurance program to the individual account program in 1998, the value of accrued rights under the old program 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 \$207.60.

Guaranteed minimum old-age pension (Pensión de vejez mínima garantizada): The minimum monthly old-age pension is paid.

Longevity pension (Pensión de longevidad): 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.

Schedule of payments: Twelve monthly payments a years plus a 13th payment for Christmas equal to 50% of the monthly pension.

**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 \$207.60.

Longevity benefit (Beneficio de longevidad): The longevity benefit is equal in value to the permanent old-age benefit the insured received.

**Temporary old-age benefit (Beneficio Económico Temporal, mandatory individual account):** A monthly benefit of 40% to 60% of the minimum monthly old-age pension, based on 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 \$207.60.

**Old-age settlement (Devolución de Saldo, mandatory individual account):** A lump sum of the total account balance plus the total contributions to the Solidarity Guarantee Fund is paid.

**Basic old-age pension (Pensión Básica Universal, Programa Nuestros Mayores Derechos, social assistance, income tested):** \$100 is paid every two months.

### Permanent Disability Benefits

**Disability pension (Pensión de Invalidez, 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 \$207.60

Partial disability: 36% of the insured's base salary is paid.

The minimum monthly disability pension for a partial disability is \$145.32.

Guaranteed minimum disability pension (Pensión de invalidez mínima garantizada): The minimum monthly pension for a total disability or partial disability is paid.

Schedule of payments: Twelve monthly payments a years plus a 13th payment for Christmas equal to 50% of the monthly pension.

### Survivor Benefits

**Survivor pension (Pensión de Sobrevivencia, 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 orphan; 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 (Pensión de sobrevivencia mínima garantizada): The minimum monthly survivor pension is paid.

The minimum monthly survivor pension is \$207.60.

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: Twelve monthly payments a years plus a 13th payment for Christmas equal to 50% of the monthly pension.

### Administrative Organization

Superintendent of Financial System (<http://www.ssf.gob.sv/>) provides general supervision.

Individual pension fund management companies (AFPs) administer individual accounts and collects contributions.

Social Investment Fund for Local Development (FISDL) (<http://www.fisd.l.gob.sv/>) administers the basic old-age pension.

### Sickness and Maternity

#### Regulatory Framework

**First law:** 1949 (social insurance).

**Current laws:** 1953 (social security), 1996 (social insurance), 2007 (for teachers and professors), 2010 (household workers), 2017 (voluntary health insurance for nationals residing abroad), and 2018 (voluntary health insurance for self-employed persons).

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



## Coverage

Public- and private-sector employees, household workers, and pensioners and certain unemployed persons (medical benefits only).

Voluntary coverage for self-employed persons, and citizens of El Salvador residing abroad.

Exclusions: Agricultural and casual workers.

## Source of Funds

**Insured person:** 3% of monthly covered earnings; a monthly premium of \$55.92 for voluntarily covered citizens residing abroad. 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 \$202.88 (agriculture and cotton sector) to \$304.17 (commerce and service sector), depending on the economic sector.

The maximum monthly earnings used to calculate contributions are \$1,000 (\$685.71 for pensioners).

The insured person's contributions also finance work injury benefits.

**Self-employed person:** A monthly premium of \$40; \$56 if the insured chooses to cover family members.

The self-employed person's contributions also finance work injury benefits.

**Employer:** 7.5% of monthly covered payroll.

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

The legal monthly minimum wage ranges from \$202.88 (agriculture and cotton sector) to \$304.17 (commerce and service sector), depending on the economic sector.

The maximum monthly earnings used to calculate contributions are \$1,000.

The employer's contributions also finance work injury benefits.

**Government:** Pays an annual subsidy; contributes as an employer.

## Qualifying Conditions

**Cash sickness benefit (Subsidio de Enfermedad):** Must be currently employed. There is no minimum qualifying period. Household workers do not qualify for cash sickness benefits.

**Cash maternity benefit (Subsidio de Maternidad):** 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. Self-employed persons, household workers, and citizens residing abroad have a qualifying period of six months for certain conditions.

## Sickness and Maternity Benefits

**Sickness benefit (Subsidio de Enfermedad):** 75% of the insured's average daily base earnings in the first three of the four months before the incapacity 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.

Schedule of payments: The benefit is paid daily.

**Maternity benefit (Subsidio de Maternidad):** 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.

Schedule of payments: 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. Benefits are the same for dependents of self-employed persons covered under family insurance as for the primary insured.

## 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.

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## Work Injury

### Regulatory Framework

**First law:** 1949 (social insurance).

**Current laws:** 1953 (social security), 1996 (social insurance), and 2012 (occupational risks).

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

## Coverage

Public- and private-sector employees and household workers.

Voluntary coverage for self-employed persons.

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

**Temporary disability benefit (Subsidio Diario por Incapacidad Temporal):** 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

**Permanent disability pension (Pensión por Incapacidad Permanente):** For an assessed degree of disability greater 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 \$119.70.

Constant-attendance supplement (Aumento por ayuda de tercera persona): 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 (Asignación por hijo): 20% of the minimum disability pension is paid for each child younger than age 16 (age 22 if a student; no limit if disabled).

Partial disability: For an assessed degree of disability greater than 35% and up to 66%, a percentage of the full permanent disability pension is paid based on the assessed degree of disability. For an assessed degree of disability of at least 21% and up to 35%, two times 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 (Pensión de Sobrevivientes)

*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 eligible widow(er) or orphan, 60% of the permanent disability pension 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 up to \$937.86 is paid to the person who paid for the funeral (2018).

## 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

### Regulatory Framework

Labor law (1972) requires employers to provide severance pay in cases of unfair dismissal. For an employee with a permanent contract, the payment amount is 30 days of the employee's pay for each continuous year of service. The payment is proportionately reduced for fractions of a year. For an employee with a fixed-term contract, the payment amount is 100% of the employee's outstanding basic earnings agreed to in the work contract, or the equivalent amount the employee would receive under a permanent contract, whichever is less.

The minimum severance pay for an employee with a permanent contract is 15 days of pay.

The maximum daily earnings used to calculate the severance pay for an employee with a permanent contract is four times the legal daily minimum wage.

## El Salvador

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The legal monthly minimum wage ranges from \$202.88 (agriculture and cotton sector) to \$304.17 (commerce and service sector), depending on the economic sector.

### Family Allowances

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#### Regulatory Framework

**First law:** 2005 (Red Solidaria cash transfer).

**Current law:** 2009 (Solidarity cash transfer).

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

Note: In June 2017, new enrolments in the solidarity cash transfer program ceased; persons enrolled in the program before this date 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 (Bono Salud):** Paid to families with children younger than age 5 who comply with vaccination and medical service requirements.

**Education cash transfer (Bono Educación):** Paid to families 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 (Bono Salud):** \$30 is paid every two months.

**Education cash transfer (Bono Educación):** \$30 is paid every two months.

The maximum combined solidarity cash transfer for families who qualify for both types of transfers is \$40 every two months.

#### 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, including apprentices, part-time workers, and seasonal workers; 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 (old-age, disability, and survivors benefits); none if younger than age 16 or aged 60 or older.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are EC\$5,000.

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

**Employer:** 4% of gross monthly covered payroll for employees aged 16 to 59.

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 cash sickness and maternity benefits.

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

#### Qualifying Conditions

**Old-age pension (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, and temporary or permanent work injury.

The old-age pension is payable abroad.

**Old-age grant (Age Grant):** Age 60 with at least 50 weeks but less than 500 weeks of paid or credited contributions.

Contributions are credited for periods of sickness, maternity, and temporary or permanent work injury.

The old-age grant is payable abroad.

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

A registered medical doctor assesses the disability.

The disability pension is payable abroad.

**Disability grant (Invalidity Grant):** Must be younger than the normal retirement age, be assessed with a permanent incapacity for work, and have at least 50 weeks but less than 150 weeks of paid contributions.

The disability grant 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) (including a common-law spouse) who was married to the deceased for at least three years, orphans younger than age 16 (age 21 if a full-time student, no limit if disabled), and dependent parents.

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

The survivor pension is payable abroad.

**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) (including a common-law spouse) who was married to the deceased for at least three years, orphans younger than age 16 (age 21 if a full-time student, no limit if disabled), and dependent parents.

The survivor grant is 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. The grant must be claimed within six months of the date of death.



The funeral grant is not payable abroad.

### **Old-Age Benefits**

**Old-age pension (Age Pension):** 30% of the insured's average weekly earnings plus 1% of average weekly earnings for every 50 weeks of contributions exceeding 500 weeks is paid.

Average weekly earnings are the insured's average annual covered earnings in his or her best five years of earnings divided by 52.

The minimum weekly old-age pension is EC\$46.40.

The maximum weekly old-age pension is EC\$657.70.

Schedule of payments: The pension is paid monthly.

Benefit adjustment: Benefits are reviewed periodically.

**Old-age grant (Age Grant):** A lump sum of five times the insured's average weekly earnings for every 50 weeks 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.

### **Permanent Disability Benefits**

**Disability pension (Invalidity Pension):** 30% of the insured's average weekly earnings plus 1% of average weekly earnings for every 50 weeks of contributions exceeding 500 weeks is paid.

Average weekly earnings are the insured's average annual covered earnings in his or her best five years of earnings divided by 52.

The minimum weekly disability pension is EC\$46.40.

The maximum weekly disability pension is 60% of the insured's average weekly earnings.

Schedule of payments: The pension is paid monthly.

Benefit adjustment: Benefits are reviewed periodically.

**Disability grant (Invalidity Grant):** A lump sum of five times the insured's average weekly earnings for every 50 weeks 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.

### **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 for life to a widow(er) aged 50 or older; for one year to a widow(er) younger than age 50; for as long as the disability lasts to a widow(er) with a disability.

The minimum weekly spouse's pension is EC\$46.40.

The maximum weekly spouse's pension is EC\$493.28.

If the widow(er) is entitled to receive an old-age or disability pension and a spouse's pension, the total amount received is 100% of the old-age or disability pension plus 50% of the spouse's 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 orphan; 50% for an orphan with a disability or a full orphan.

The minimum weekly orphan's pension is EC\$19.70.

*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 pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

Schedule of payments: The pensions are paid monthly.

Benefit adjustment: Benefits are reviewed periodically.

**Survivor grant:** A lump sum of five times the insured's average weekly earnings for every 50 weeks 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.

**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.

### **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.

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### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1980 (maternity leave).

**Current laws:** 1983 (social insurance) and 1999 (employment act).

**Type of program:** Social insurance and employer-liability system. Cash benefits only.

Note: Government health facilities and public hospitals provide free primary health care.

#### **Coverage**

**Social insurance:** Public- and private-sector employees, including apprentices, part-time workers, and seasonal workers; 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:* None; contributes as an employer.

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

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must be aged 16 to 59, have been employed on the day before the incapacity began, and have at least 13 weeks of contributions, including eight weeks of contributions as an employee in the 13 weeks before the incapacity began. The incapacity for work must last at least four consecutive days.

**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 up to five times a year.

**Cash maternity benefit (Maternity Allowance, social insurance):** Paid to an insured woman aged 16 to 59 with at least 30 weeks of contributions, including 20 weeks of paid contributions 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.

**Cash maternity benefit (employer liability):** Must have worked at least 18 months with the same employer (105 days in the last 18 months for an employee who is paid daily).

**Maternity grant (social insurance):** Paid to an insured woman or the insured husband of an uninsured woman. The insured must be aged 16 to 59 and 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 sickness 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 (Maternity Allowance, 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

Limited benefits, including free primary health care, are provided to the general population (see Workers' Medical Benefits).

### Administrative Organization

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.

Ministry of Health and Social Security (<http://health.gov.gd/>) provides general supervision and administers the public health system.

## Work Injury

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### 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, including apprentices, part-time workers, and seasonal workers; 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

Must be assessed with a work injury or occupational disease. 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 first.

There is no minimum or maximum temporary disability benefit.

A registered medical 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.

There is no minimum or maximum permanent disability benefit.

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.

Partial disability: For an assessed degree of disability of at least 30% but less than 100%, a percentage of the full permanent disability benefit is paid based on the assessed degree of disability; for an assessed degree of disability of less than 30%, a lump sum is paid.

A registered medical 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 cost of medical treatment abroad is 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 benefit the deceased received or was entitled to receive is paid to a widow(er) (including a common-law spouse).

The minimum weekly spouse's pension is EC\$46.40.

The maximum weekly spouse's pension is EC\$493.28.

The spouse's pension ceases upon remarriage or cohabitation.

*Orphan's pension:* 25% of the permanent disability benefit the deceased received or was entitled to receive is paid for each orphan 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.

*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 or 25% if partially dependent, up to the difference of the combined survivor pension paid to a spouse or orphan and the maximum combined survivor pension. 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 pension is 100% of the permanent disability benefit the deceased received or was entitled to receive.

Benefit adjustment: Benefits are reviewed periodically.

**Funeral grant:** A lump sum of EC\$2,320 is paid to the person who paid for the insured's funeral.

Benefit adjustment: Benefits are reviewed periodically.

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### ***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***

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#### ***Regulatory Framework***

Under the 1999 Employment Act, employers are required to provide severance pay to dismissed employees who have completed at least one year of continuous employment.

The payment amount is at least one week of an employee's wages for each completed year of service.



## Guatemala

Exchange rate: US\$1.00 = 7.69 quetzales.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1969 (social insurance), implemented on a national level in 1977; and 2005 (social pension).

**Current laws:** 2003 (social insurance) and 2005 (social pension).

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

#### Coverage

**Social insurance:** Employees of firms with at least three workers, persons employed in freight or passenger transport enterprises with at least one worker, and public-sector employees not covered by a special system.

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 ceasing covered employment.

Exclusions: Self-employed persons.

Special systems for military personnel and most public-sector employees.

**Social assistance:** Needy resident citizens of Guatemala.

#### Source of Funds

##### Insured person

**Social insurance:** 1.83% of gross monthly covered earnings; 5.5% of covered earnings in the last month of mandatory coverage for the voluntarily insured.

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

The legal daily minimum wage ranges from 82.46 quetzales (export and maquila industry) to 90.16 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, which varies depending on income, with annual net income greater than 25,000 quetzales.

##### Self-employed person

**Social insurance:** Not applicable.

**Social assistance:** None.

#### Employer

**Social insurance:** 3.67% of gross monthly covered payroll.

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

The legal daily minimum wage ranges from 82.46 quetzales (export and maquila industry) to 90.16 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, which varies depending on income, for individuals with annual net income greater than 25,000 quetzales or legal entities with annual net income greater than 100,000 quetzales.

#### Government

**Social insurance:** 25% of total contributions paid; contributes as an employer.

**Social assistance:** Provides subsidies as needed.

#### Qualifying Conditions

**Old-age pension (Pensión por vejez, social insurance):**

Age 60 with at least 240 months of contributions.

Dependent's supplement: Paid for a spouse or cohabiting partner, children younger than age 18 (no limit if disabled), and dependent parents with no work capacity.

The old-age pension is not payable abroad.

**Old-age settlement (Asignación única, social insurance):**

Age 60 with at least 12 months but less than 240 months of contributions.

Employment must cease.

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, living in conditions of extreme poverty or with a disability, not working, and not receiving any other pension.

Means test: Personal income and assets must not exceed certain limits.

The old-age social pension is not payable abroad.

**Disability pension (Pensión de invalidez, social insurance):**

Must be assessed with a total disability (more than a 33% loss of earning capacity) and have at least 36 months of contributions in the six years before the disability began.

A medical board of the Social Security Institute assesses and reviews the degree of disability every year.

Dependent's supplement: Paid for a spouse or cohabiting partner, children younger than age 18 (no limit if disabled), a dependent mother not receiving any other pension, and a disabled dependent father not receiving any other pension.

Constant-attendance supplement (Gran invalidez): 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 (Pensión de sobrevivientes, social insurance):** The deceased received or was entitled to receive an old-age or disability pension at the time of death, or had at least 36 months of contributions in the last six years

Eligible survivors include a widow, a widower with no work capacity, orphans younger than age 18 (no limit if disabled), a dependent mother not receiving any other pension, and a disabled dependent father not receiving any other pension.

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

The survivor pension is not payable abroad.

**Funeral grant (Cuota mortuaria, social insurance):** The deceased received or was entitled to receive an old-age or disability pension, or was receiving a survivor pension at the time of death.

The funeral grant cannot be combined with the death grant under Work Injury.

### Old-Age Benefits

**Old-age pension (Pensión por vejez, social insurance):** 50% of the insured's average monthly earnings in the last 60 months plus 0.5% for every six months 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 9,000 quetzales.

The minimum monthly old-age pension, including supplements, is 340 quetzales.

The maximum monthly old-age pension, including supplements, is 7,200 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 based on actuarial reviews.

**Old-age settlement (Asignación única, social insurance):** A lump sum of 70% of the insured's social insurance contributions is paid, up to three times the maximum monthly earnings used to calculate benefits.

The maximum monthly earnings used to calculate benefits are 9,000 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 (Pensión de invalidez, social insurance):** 50% of the insured's average monthly earnings in the last 60 months plus 0.5% for every six months 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 maximum monthly earnings used to calculate benefits are 9,000 quetzales.

The minimum monthly disability pension, including supplements, is 340 quetzales.

The maximum monthly old-age pension, including supplements, is 7,200 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 depending on financial resources.

### Survivor Benefits

**Survivor's pension (Pensión de sobrevivientes, 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 orphan; 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.

## Guatemala

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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. Benefit adjustment: Benefits are adjusted periodically based on actuarial reviews.

**Funeral grant (Cuota mortuoria, social insurance):** A lump sum of up to 1,237.50 quetzales is paid.

Benefit adjustment: Benefits are adjusted periodically based on 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/>) collects contributions and administers the social insurance program.

Ministry of Labor and Social Welfare (<http://www.mintrabajo.gob.gt/>) administers the social assistance program.

### Sickness and Maternity

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#### Regulatory Framework

**First law:** 1952 (maternity and children).

**Current laws:** 1964 (sickness, maternity, and medical benefits), 2009 (household workers), and 2010 (dependent's medical benefits).

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

#### Coverage

**Cash benefits:** Public- and private-sector employees working in firms with at least three workers, and persons employed in freight or passenger transport enterprises with at least one worker.

**Medical benefits:** Public- and private-sector employees working in firms with at least three workers; persons employed in freight or passenger transport enterprises with at least one worker; pensioners, including former public-sector employees receiving a pension under a special system; and certain unemployed persons.

Exclusions: Self-employed persons and certain high-ranking elected or appointed officials.

Special systems for military personnel and 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; finances medical benefits for former public-sector employees receiving a pension under a special system; 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 program before August 5, 2005) of contributions in the six months before the incapacity began.

**Funeral grant (Cuota mortuoria por enfermedad):** Paid when an insured person or a dependent wife entitled to maternity medical benefits dies. The insured must have at least four months of contributions in the six months before death.

**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.

Eligible dependents include a dependent wife or cohabiting partner and children younger than age 7.

**Maternity medical benefits:** Provided to an insured woman and the dependent wife or cohabiting partner of an insured man.

#### 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 sickness benefit is 12 quetzales.

The maximum daily sickness 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. The benefit is paid for up to 27 days in case of miscarriage.

Nursing mothers are permitted one hour a day at work to nurse their children, for up to 10 months.

**Funeral grant (Cuota mortuoria por enfermedad):** A lump sum of up to 1,237.50 quetzales is paid.

#### Workers' Medical Benefits

**Medical benefits:** Benefits include general, specialist, and dental care; maternity care; surgery; hospitalization;

medicine; laboratory services; X-rays; appliances; transportation; rehabilitation; and retraining. Unemployed persons may receive medical benefits for up to two months after ceasing employment.

Free medical benefits are provided to uninsured persons in an emergency and until the condition stabilizes.

**Maternity medical benefits:** Benefits include prenatal consultations, family planning, gynecology, obstetrics, and postnatal care.

### **Dependents' Medical Benefits**

**Medical benefits:** The wife or partner of an insured man receives the same accident benefits as an insured person in all parts of the country, and sickness benefits in 21 of the 22 administrative departments.

Children younger than age 7 receive general and specialist medical care, hospitalization, dental care, vaccinations, and cochlear implants.

Free medical benefits are provided to uninsured persons in an emergency and until the condition stabilizes.

**Maternity medical benefits:** Benefits are the same for the wife or partner of an insured man..

### **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**

### **Regulatory Framework**

**First law:** 1947.

**Current laws:** 1964 (medical benefits); 1994 (work-related and nonwork-related accidents), implemented in 1995; and 2009 (household workers).

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

### **Coverage**

Public- and private-sector employees in firms with at least three workers, and persons employed in freight or passenger transport enterprises with at least one worker; and certain unemployed persons.

Exclusions: Self-employed persons and certain high-ranking elected or appointed officials .

Special systems military personnel 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 earnings; contributes as an employer.

There are no minimum or maximum earnings used to calculate contributions.

### **Qualifying Conditions**

Benefits are provided for work-related and nonwork-related accidents or occupational diseases. For cash benefits, the insured must have at least three months of contributions before the work injury or occupational disease began. For medical benefits, there is no minimum qualifying period if the insured is in covered employment; unemployed persons must have at least three 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 from the second day of incapacity until recovery.

The minimum daily temporary disability benefit is 12 quetzales.

The maximum daily temporary disability 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 based on the assessed degree of disability.

A medical board of the Social Security Institute assesses the degree of disability.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

Work injury benefits can be combined with the disability pension under Old Age, Disability, and Survivors.

### **Workers' Medical Benefits**

Benefits include medical treatment, surgery, hospitalization, medicine, appliances, transportation, rehabilitation services, X-rays, laboratory tests, and retraining.

### ***Survivor Benefits***

**Death grant (Cuota mortuoria por accidente):** A lump sum of up to 1,237.50 quetzales is paid.

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***

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#### ***Regulatory Framework***

The 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 payment amount is one month of the employee's earnings for each year of continuous employment 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 with weekly earnings of at least G\$7.50; and self-employed persons with weekly earnings of at least G\$5.00.

Voluntary coverage until age 60 for persons who previously had mandatory coverage.

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.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are G\$59,262 a week or G\$256,800 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 minimum monthly earnings used to calculate contributions are G\$68,750.

The maximum earnings used to calculate contributions are G\$59,262 a week or G\$256,800 a month (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 weekly, biweekly, or monthly payroll; 1.5% for persons younger than age 16 or aged 60 or older.

There are no minimum earnings used to calculate contributions.

The maximum earnings used to calculate contributions are G\$59,262 a week or G\$256,800 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.

The universal old-age pension is 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 cash sickness, maternity, or work injury benefits.

Employment may continue.

The social insurance old-age pension is payable abroad.

**Old-age grant (social insurance):** Age 60 with less than 750 weeks of paid or credited contributions, including at least 50 weeks of paid contributions before age 60.

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 cash sickness, maternity, or work injury benefits.

The old-age grant is payable abroad.

**Disability pension (social insurance):** Must be aged 16 to 59; be assessed with an incapacity for work that is not the result of a work injury and is likely to remain permanent; 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 cash 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 insured is younger than age 60 when the disability began. In addition, contributions are credited for each complete contributory week the insured received cash sickness, maternity, or 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.

The disability pension is not payable abroad.

**Disability grant (social insurance):** Must be aged 16 to 59; be assessed with an incapacity for work that is likely to remain permanent; have at least 50 weeks but less than 150 weeks of paid contributions; and have been incapable of work for at least 26 weeks.

The disability grant is not payable abroad.

**Disability public assistance (social assistance, means tested):** Must have a permanent incapacity for work or a temporary medical condition that results in an incapacity for work, and have little or no means of support.

**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 weeks of 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 deceased was older than age 35 in 1969, up to 600 weeks. In addition, contributions are credited for each complete contributory week the deceased received cash sickness, maternity, or work injury benefits.

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 who is aged 45 or older,

and assessed as permanently incapable of work, 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.

The survivor pension is payable abroad.

**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 45 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.

The survivor grant is payable abroad.

**Funeral grant (social insurance):** Paid to the person who paid for the funeral. The deceased or his or her spouse had at least 50 weeks of paid contributions at the time of death.

The funeral grant is not payable abroad.

### Old-Age Benefits

**Old-age pension (universal):** G\$20,500 a month is paid.

**Old-age pension (social insurance):** 40% of the insured's average weekly earnings plus 1% of average weekly earnings for every 50 weeks of paid or credited contributions exceeding 750 weeks is paid.

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\$64,200.

The maximum weekly old-age pension is 60% of the insured's average weekly earnings.

Schedule of payments: The old-age pension is paid monthly.

**Old-age grant (social insurance):** A lump sum of 8.33% (one twelfth) 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 divided by the number of contribution years.

## 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 every 50 weeks of paid or credited contributions exceeding 250 weeks.

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.

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\$64,200.

The maximum weekly disability pension is 60% of the insured's average weekly earnings.

Schedule of payments: The disability pension is paid monthly.

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 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 divided by the number of contribution years.

**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).

The minimum monthly spouse's pension is 25% of the legal monthly minimum wage for public-sector workers.

The legal monthly minimum wage for public-sector workers is G\$64,200.

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 minimum full orphan's pension is 16.5% of the legal monthly minimum wage for public-sector workers.

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\$64,200.

**Funeral grant (social insurance):** A lump sum of G\$48,882 is paid to the person who pays for the funeral.

## Administrative Organization

Ministry of Finance 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 program.

Department of Social Services, under the direction of the Ministry of Social Protection (<https://dpi.gov.gy/category/news/government/ministry-of-social-protection/>), administers the universal and social assistance programs.

## Sickness and Maternity

### Regulatory Framework

**First and current law:** 1969 (social security).

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

### Coverage

**Universal:** Residents of Guyana.

**Social insurance:** Public- and private-sector employees with weekly earnings of at least G\$7.50; self-employed persons with weekly earnings of at least G\$5.00; and pensioners (medical benefits only).

Exclusions: Casual employees and family labor.

## 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:* Covers any deficit; contributes as an employer.

## Qualifying Conditions

**Cash sickness and medical benefits (social insurance):** 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 paid contributions. Pensioners must prove that the medical condition began prior to receiving the old-age or disability pension (medical benefits only).

**Cash maternity benefit (social insurance):** Must have at least 15 weeks of paid 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 (social insurance):** Paid to an insured woman or the wife of an insured man with at least 15 weeks of paid contributions, including at least seven in the 26-week period ending six weeks before the week in which the benefit is claimed.

**Medical benefits (Package of Essential Health Services, universal):** There is no minimum qualifying period.

## Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 70% of the insured's average weekly earnings is paid from the fourth day of incapacity 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 incapacity began divided by the number of contribution weeks.

**Maternity benefit (social insurance):** 70% of the insured's average weekly 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 earnings are based on the insured's best seven weeks of covered earnings in the 26 weeks before the start of the benefit divided by the number of contribution weeks.

**Maternity grant (social insurance):** A lump sum of G\$2,000 is paid.

## Workers' Medical Benefits

**Medical benefits (Package of Essential Health Services, universal):** Public hospitals and health centers provide essential health care services free of charge. Other medical care is income tested and requires cost sharing.

**Medical benefits (social insurance):** Benefits include reimbursement of medical expenses incurred in Guyana or abroad. Rates vary depending on the type of treatment.

Old-age or disability pensioners receive free dental care, medicine, and eyeglasses.

## Dependents' Medical Benefits

**Medical benefits (Package of Essential Health Services, universal):** Public hospitals and health centers provide essential health care services free of charge. Other medical care is income tested and requires cost sharing.

**Medical benefits (social insurance):** No benefits are provided.

## Administrative Organization

Ministry of Finance provides general supervision of the social insurance program.

National Insurance Scheme (<http://www.nis.org.gy/>), under the direction of the National Insurance Board, collects contributions and administers the program.

Ministry of Public Health (<http://www.health.gov.gy/>) provides general supervision of medical benefits.

Ten regional democratic councils and the Georgetown Public Hospital Corporation deliver public medical services.

## Work Injury

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### Regulatory Framework

**First law:** 1916 (work injury).

**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 divided by the number of contribution weeks.

## 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 divided by the number of contribution weeks.

Constant-attendance allowance: G\$200 a day is paid for up to 26 weeks 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 depending on 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.

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 child(ren) up to age 18 and who resided with or received financial support from the deceased at the time of death; a dependent widow(er) older than age 45, who is assessed as permanently incapable of work and not receiving any other allowances, or who is caring for the deceased's child(ren) up to age 16; or, if there is no eligible widow(er) or orphan, a parent who is assessed as permanently incapable of work and was totally or partially dependent on the deceased.

Average weekly earnings are based on the deceased's best three years of covered earnings in the last five years of contributions divided by the number of contribution weeks.

The minimum monthly spouse or dependent parents' pension 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\$64,200.

*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.

Average weekly earnings are based on the deceased's best three years of covered earnings in the last five years of contributions divided by the number of contribution weeks.

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.

Schedule of payments: Survivor pensions are paid monthly.

**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 split among 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.



## Guyana

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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\$64,200.

**Death benefit:** If there are no dependents, up to G\$250 is paid to the deceased's creditors or estate.

### **Administrative Organization**

Ministry of Finance 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.

### **Unemployment**

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#### **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. The payment amount is one week of the employee's wages for each of the first five years of service, plus two weeks for each year of service from six to 10 years, plus three weeks for each year of service exceeding 10 years, up to a total of 52 weeks of wages.

#### **Family Allowances**

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##### **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 Services, under the direction of the Ministry of Social Protection (<https://dpi.gov.gy/category/news/government/ministry-of-social-protection/>), administers the program.

## Haiti

Exchange rate: US\$1.00 = 93.157 gourdes.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1965 (old-age insurance).

**Current laws:** 1967 (social insurance), 1971 (social assistance), 1976 (pensions), 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 monthly covered earnings; 12% for the voluntarily insured.

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

The legal daily minimum wage ranges from 250 gourdes (household workers) to 550 gourdes (finance, telecommunications, commerce, etc.).

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 12% of monthly declared earnings.

**Social assistance:** None.

##### Employer

**Social insurance:** 6% of monthly covered payroll.

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

The legal daily minimum wage ranges from 250 gourdes (household workers) to 550 gourdes (finance, telecommunications, commerce, etc.).

**Social assistance:** None.

##### Government

**Social insurance:** Provides 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 at least 10 years but less than 20 years of contributions.

**Old-age social pension (Kore Ti GranMoun, 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 but less than 20 years of contributions. The disability must not have been caused by a work injury.

**Disability social pension (KoreAndikape, 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 (no limit if a post-secondary student).

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

**Survivor settlement (social insurance):** The deceased did not qualify for 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 (no limit if a post-secondary 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 at least 15 years but less than 20 years of contributions; 20% with at least 10 years but less than 15 years of contributions.

Average earnings are not adjusted based on inflation.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

**Old-age social pension (Kore Ti GranMoun, social assistance, income tested):** A benefit is paid.

**Old-age settlement (social insurance):** A lump sum of total employer and employee contributions without accrued interest is paid.

### **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 based on inflation.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

**Disability social pension (KoreAndikape, 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):** A lump sum of total employer and employee contributions without accrued interest is paid.

### **Administrative Organization**

Ministry of Social Affairs and Labor (MAST) provides general supervision of the social insurance and social assistance programs.

National Office of Old-Age Insurance (ONA; <http://www.ona.ht/>) of the Social Insurance Institute, managed by a tripartite board and a director general, administers the social insurance program and collects contributions.

Social Assistance Fund (CAS) and Economic and Social Assistance Fund (FAES) administers the social assistance program.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1949 (sickness and maternity), never implemented.

**Current laws:** 1967 (social insurance), implemented in 2016 (maternity and sickness); and 1984 (labor code).

**Type of program:** Social insurance system. Cash benefits only.

#### **Coverage**

Public- and private-sector employees.

Voluntary coverage for self-employed persons.

#### **Source of Funds**

**Insured person:** 3% of monthly earnings.

**Self-employed person:** Pays contributions based on an individual agreement with the Office of Work Accidents and Sickness and Maternity Insurance.

**Employer:** 3% of monthly earnings.

**Government:** Provides subsidies as needed.

### **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 proportionately reduced for employees with less than one year of service.

**Maternity benefit:** 100% of the employee's earnings is paid for twelve weeks.

### **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 (OFATMA).

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1961 (labor code).

**Current law:** 1967 (social insurance).

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

#### **Coverage**

Public-sector employees and employees of industrial, commercial, or agricultural firms in specified districts.

Voluntary coverage for self-employed persons.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Pays contributions based on an individual agreement with the Office of Work Accidents and Sickness and Maternity Insurance.

**Employer:** 2% of total payroll (commerce), 3% of total payroll (industry, construction, and agriculture), or 6% of total payroll (mining).

**Government:** None; contributes 2% of payroll as an employer.

## Qualifying Conditions

There is no minimum qualifying period. Must be younger than age 55 for temporary and permanent disability benefits.

## 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.)

## Permanent Disability Benefits

**Permanent disability pension:** For a total disability, 66.7% of the insured's monthly earnings is paid.

**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 based on 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.

## 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.

**Benefit adjustment:** Benefits are not regularly adjusted.

**Funeral grant:** A lump sum of 100% of the deceased's monthly earnings is paid.

## 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 (OFATMA).

The Social Insurance Institute operates its own clinics and hospital in Port-au-Prince, and contracts with accredited clinics and hospitals to provide medical benefits.

## Honduras

Exchange rate: US\$1.00 = 25.00 lempiras.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1957 (constitution); 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 mandatory coverage; cooperative members, and recognized workers and farmers' associations; and occasional and temporary workers.

Special systems for military personnel, executive branch employees, teachers and professors, and National Autonomous University of Honduras employees.

**Mandatory individual account:** Salaried workers in public- and private-sector enterprises, civil servants, forestry workers, most agricultural workers, and apprentices, with monthly earnings exceeding 9,326.42 lempiras.

Voluntary coverage for persons with monthly earnings up to 9,326.42 lempiras.

#### Source of Funds

##### Insured person

**Social insurance:** 2.5% of monthly covered earnings.

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

The legal monthly minimum wage ranges from 6,440.66 lempiras to 11,549 lempiras, depending on the economic sector.

The maximum monthly earnings used to calculate contributions are 9,326.42 lempiras.

**Mandatory individual account:** 1.5% of monthly covered earnings.

The minimum monthly earnings used to calculate contributions are 9,326.43 lempiras.

##### Self-employed person

**Social insurance:** 4% of estimated monthly earnings.

The maximum monthly earnings used to calculate contributions are 9,326.42 lempiras.

**Mandatory individual account:** A contribution is paid.

The minimum monthly earnings used to calculate contributions are 9,326.43 lempiras.

##### Employer

**Social insurance:** 3.5% of monthly covered payroll.

The maximum monthly earnings used to calculate contributions are 9,326.42 lempiras.

**Mandatory individual account:** 1.5% of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are 9,326.43 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.

#### Qualifying Conditions

**Old-age pension (Pensión por Vejez, Régimen del Seguro de Previsión Social, 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. There is no age limit.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

**Old-age settlement (Régimen del Seguro de Previsión Social, social insurance):** Age 65 (men) or age 60 (women) with less than 180 months of contributions.

**Old-age benefit (Cuentas Individuales de Capitalización, mandatory individual account):** At any age with at least five years of contributions.

Early withdrawal: At any age with less than five years of contributions.

**Disability pension (Pensión por Invalidez, Régimen del Seguro de Previsión Social, 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 nonwork-related 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 (Régimen del Seguro de Previsión Social, social insurance):** Must be assessed with a disability and not qualify for the disability pension.

**Survivor pension (Pensión por Sobrevivencia, Régimen del Seguro de Previsión Social, 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 nonwork-related 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 orphans 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 or partner's pension ceases upon (re) marriage.

Remarriage settlement: Paid to a widow(er) or partner upon (re)marriage.

**Survivor settlement (Cuentas Individuales de Capitalización, 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 (Ayuda Funeral Única, Régimen del Seguro de Previsión Social, social insurance):** The deceased must have been employed or receiving an old-age or disability pension at the time of death, or had at least one month of contributions in the six months before death.

### Old-Age Benefits

**Old-age pension (Pensión por Vejez, Régimen del Seguro de Previsión Social, social insurance):** 40% of the insured's basic monthly earnings plus 1% of basic monthly earnings for every 12 months 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 (Régimen del Seguro de Previsión Social, social insurance):** A lump sum of total employee contributions is paid.

**Old-age benefit (Cuentas Individuales de Capitalización, mandatory individual account):** Up to the total account balance may be paid as programmed withdrawals or a lump sum.

Early withdrawal: 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 (Pensión por Invalidez, Régimen del Seguro de Previsión Social, social insurance):** 40% of the insured's basic monthly earnings plus 1% of basic monthly earnings for every 12 months of contributions exceeding 60 months multiplied by the loss of earning is paid.

Basic monthly earnings are the insured's average monthly earnings in the 180 months before the month of entitlement (or over the total contribution period if less than 180 months).

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.

**Disability settlement (Régimen del Seguro de Previsión Social, social insurance):** A lump sum of total employee contributions is paid.

### Survivor Benefits

**Survivor pension (Pensión por Sobrevivencia, Régimen del Seguro de Previsión Social, social insurance)**

*Spouse's pension (Pensión por viudez):* 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 (Pensión por orfandad):* 20% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each eligible orphan; 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.

## Honduras

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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 (Cuentas Individuales de Capitalización, mandatory individual account):** A lump sum of the deceased's total account balance is split among eligible survivors.

**Funeral grant (Ayuda Funeral Única, Régimen del Seguro de Previsión Social, social insurance):** A lump sum of two times the lowest legal monthly minimum wage is paid.

The lowest legal monthly minimum wage is 6,440.66 lempiras.

### Administrative Organization

Secretariat of Labor and Social Security (<http://www.trabajo.gob.hn/>) provides general supervision.

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 (cash and medical benefits) and employer-liability (cash benefits) system.

#### Coverage

**Cash sickness benefit (social insurance):** Public-sector employees, 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, 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 sickness and maternity benefits (employer liability):** Public- and private-sector employees.

Exclusion: Self-employed persons.

**Medical benefits (social insurance):** Public-sector employees, 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 monthly covered earnings.

The monthly earnings used to calculate contributions are subject to a minimum.

The maximum monthly earnings used to calculate contributions are 8,933.97 lempiras.

The insured person's contributions also finance work injury benefits.

**Employer liability:** None.

##### Self-employed person

**Social insurance:** 7% of estimated monthly earnings; 2% of estimated monthly 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 monthly payroll.

The monthly earnings used to calculate contributions are subject to a minimum.

The maximum monthly earnings used to calculate contributions are 8,933.97 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 8,933.97 lempiras.

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

## Qualifying Conditions

**Cash sickness benefit (Subsidio por Enfermedad o Accidente Común, Régimen del Seguro de Atención de la Salud, 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 began.

**Cash maternity benefit (Subsidio en Maternidad, Régimen del Seguro de Atención de la Salud, social insurance and employer liability):** Must have at least 10 months of contributions immediately before the start of the maternity leave.

**Medical benefits (Régimen del Seguro de Atención de la Salud, social insurance):** Must be in covered employment or unemployed with at least 35 days of coverage in the three months before unemployment began. 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.

Eligible dependents include a dependent spouse or partner and children up to age 18 (including children of a previously insured person for up to two months after covered employment ceased). There is a 10-month waiting period for dependent partners.

## Sickness and Maternity Benefits

**Sickness benefit (Subsidio por Enfermedad o Accidente Común, Régimen del Seguro de Atención de la Salud, social insurance; and employer liability):** 66% of the insured's earnings in the last three months (100% if hospitalized and without dependents, split equally between the Social Security Institute and the employer) 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 (Régimen del Seguro de Atención de la Salud, 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

**Medical benefits (Régimen del Seguro de Atención de la Salud, social insurance):** 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

**Medical benefits (Régimen del Seguro de Atención de la Salud, social insurance):** Benefits include general care, minor surgeries, necessary medicine, laboratory services, appliances, dental care, and maternity care (including postpartum care for up to 45 days).

## 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 social insurance program.

Employers pay cash benefits directly to employees.

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, 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, contributes as an employer.

## Qualifying Conditions

**Work injury benefits:** Must have at least two months of contributions in the last four months to qualify for a temporary disability benefit; there is no minimum qualifying period for the permanent disability pension. 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 at least one month of covered employment.

## Temporary Disability Benefits

**Temporary disability benefit (Subsidio por Incapacidad Temporal, Régimen del Seguro de Riesgos Profesionales):** For an assessed degree of disability up to 15%, 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 above 15%, a permanent disability pension is paid.

The daily wage used to calculate benefits is subject to a maximum.

## Permanent Disability Benefits

**Permanent disability pension (Pensión por Incapacidad Permanente, Régimen del Seguro de Riesgos Profesionales):** For an assessed degree of disability of at least 65%, 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 above 15% but less than 65%, a percentage of the full permanent disability pension is paid based on the assessed degree of disability.

## Workers' Medical Benefits

Benefits include medical, surgical, and hospital care; medicine; and appliances.

## Survivor Benefits

**Survivor pension (Pensión por Sobrevivencia, Régimen del Seguro de Riesgos Profesionales)**

*Spouse's pension (Pensión por viudez):* 40% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow(er) or partner older than age 65 or with a disability.

*Orphan's pension (Pensión por orfandad):* 20% of the permanent disability pension the deceased received or was

entitled to receive is paid to each orphan younger than age 14 (age 18 if a student; no limit if disabled); 40% for a full orphan.

*Dependent parent's pension (Pensión de padres a cargo):* If there is no eligible widow(er), partner, 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 (Ayuda Funeral Única, Régimen del Seguro de Riesgos Profesionales):** A lump sum of two times the lowest legal monthly minimum wage is paid.

The lowest legal monthly minimum wage is 6,440.66 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.

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## Unemployment

### Regulatory Framework

**First and current law:** 2015 (social protection system).

**Type of program:** Mandatory individual account and employer-liability system.

### Coverage

Private-sector employees.

Exclusions: Self-employed persons and public-sector employees.

### 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:* 1.98% (increasing to 4% by 2021) of monthly covered payroll for employers with at least 10 employees; 1.32% (increasing to 4% by 2023)



of monthly covered payroll for employers with fewer than 10 employees.

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 depending on 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 salary).

*Employer liability:* The total cost.

### Government

*Mandatory individual account:* None.

*Employer liability:* None.

### Qualifying Conditions

**Severance benefit (Auxilio de Cesantía, Régimen de Cobertura Laboral, mandatory individual account and employer liability):** Must have at least three months of continuous employment with the same employer and have been involuntarily terminated or unfairly dismissed by the employer.

Loan program: The insured may take loans against his or her account balance to pay for housing and certain other expenses.

### Unemployment Benefits

**Severance benefit (Auxilio de Cesantía, Régimen de Cobertura Laboral, mandatory individual account and employer liability):** The benefit is 10 days of the insured's salary with three to six months of continuous employment; 20 days of salary with at least six but less than 12 months of continuous employment; or one month of pay with at least one year of continuous employment and for every 12 months of continuous employment exceeding one year.

The maximum severance benefit is 25 months of the insured's salary; 15 months if the insured was employed at a firm with fewer than 10 employees.

The individual account balance finances 50% of the severance benefit and the employer finances the remaining 50%.

Loan program: Up to 80% of the account balance may be used as collateral against a loan from an approved lending institution.

### 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

#### Regulatory Framework

**First and current law:** 2010 (family cash transfer).

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

#### Coverage

Needy resident of Honduras.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

#### Qualifying Conditions

**Cash transfer for families in urban areas (Bono Vida Mejor, means tested):** Paid to households in urban areas with children up to age 18 or pregnant women. Children aged 7 to 18 must be enrolled in school and attend at least 80% of classes.

Means test: Must be assessed as living in extreme poverty based on the Unique Socioeconomic Survey (Ficha Socioeconómica Única [FSU]) and be registered in the Unified Registry of Participants (RUP).

The FSU is a survey used to identify poor and vulnerable households based on their incomes, consumption patterns, geographic locations, and housing conditions.

The RUP is a national registry that compiles information collected through the FSU.

**Cash transfer for families in rural areas (Bono Vida Mejor, means tested):** Paid to households in rural areas with children up to age 18 or pregnant women. Children up to age 5 must comply with regular medical check-ups; children aged 7 to 18 must be enrolled in school and attend at least 80% of classes.

Means test: Must be assessed as living in poverty or extreme poverty based on the Unique Socioeconomic Survey (Ficha Socioeconómica Única [FSU]) and be registered in the Unified Registry of Participants (RUP).



## Honduras

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The FSU is a survey used to identify poor and vulnerable households based on their incomes, consumption patterns, geographic locations, and housing conditions.

The RUP is a national registry that compiles information collected through the FSU.

**Disabled child cash transfer (Bono Vida Mejor para Personas con Discapacidad, means tested):** Paid to households that include a person with a disability.

Means test: Must be assessed as living in vulnerable conditions based on the Unique Socioeconomic Survey (Ficha Socioeconómica Única [FSU]) and be registered in the Unified Registry of Participants (RUP).

The FSU is a survey used to identify poor and vulnerable households based on their incomes, consumption patterns, geographic locations, and housing conditions.

The RUP is a national registry that compiles information collected through the FSU.

### **Family Allowance Benefits**

**Cash transfer for families in urban areas (Bono Vida Mejor, means tested):** A basic annual benefit of 3,480 lempiras is paid. An additional 2,520 lempiras a year is paid for one child in primary or secondary education; 3,000 lempiras a year for two or more children in primary or secondary education; 3,000 lempiras a year for one child in tertiary education; and 3,480 lempiras a year for two or more children in tertiary education.

Schedule of payments: The benefit is paid every three or four months, depending on the location (except under special arrangements).

**Cash transfer for families in rural areas (Bono Vida Mejor, means tested):** A basic annual benefit of 4,020 lempiras is paid. An additional 1,320 lempiras a year is paid for one child up to age 5; 1,500 lempiras a year for two or more children up to age 5; 1,320 lempiras a year for a child in primary or secondary education; 1,500 lempiras a year for two or more children in primary or secondary education; 2,520 lempiras a year for one child in tertiary education; and 3,480 lempiras a year for two or more children in tertiary education.

Schedule of payments: The benefit is paid every three or four months, depending on the location (except under special arrangements).

**Disabled child cash transfer (Bono Vida Mejor para Personas con Discapacidad, means tested):** 600 lempiras a month is paid to a household living in extreme poverty; 400 lempiras a month to a household living in relative poverty; or 250 lempiras a month to a household not living in poverty.

### **Administrative Organization**

Secretariat of Development and Social Inclusion (SEDIS) (<https://sedis.gob.hn/>) administers the program.

## Jamaica

Exchange rate: US\$1.00 =  
132.00 Jamaican dollars (J\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1965 (national insurance), implemented in 1966.

**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.

Special complementary system for civil servants, teachers, employees of local governments, and certain other public-sector employees.

#### Source of Funds

**Insured person:** 2.75% (3% as of April 2020) of gross covered earnings; J\$150 (J\$200 as of April 2020) a week for household workers and the voluntarily insured.

There are 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:** 5.5% (6% as of April 2020) of annual covered earnings.

The minimum weekly contribution is J\$150.

The maximum annual earnings used to calculate contributions are J\$1,500,000.

The self-employed person's contributions also finance medical benefits.

**Employer:** 2.75% (3% as of April 2020) of gross covered payroll; J\$150 (J\$200 as of April 2020) a week for household workers.

There are 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 (Retirement Pension):** Age 65 with at least 520 weeks of paid contributions and an annual average of 10 weeks of paid or credited contributions during the working life.

Contributions are credited for each contributory week the insured received disability or work injury benefits.

Contributions can be made up to age 70.

Spouse's supplement (Spouse Allowance): 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.

The old-age pension is payable abroad upon request if the insured resides abroad.

**Old-age grant (Retirement Grant):** Age 65 with at least 52 weeks of paid contributions but does not meet the contribution requirements for an old-age pension.

The old-age grant is payable abroad upon request if the insured resides abroad.

**Disability pension (Invalidity Benefit):** Must be assessed with a permanent incapacity for work of at least 10%, have at least 156 weeks of paid contributions, and have an annual average of 10 weeks of paid or credited contributions during the working life.

Contributions are credited for each contributory week the insured received disability or work injury benefits.

Spouse's supplement (Spouse Allowance): 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.

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

The disability pension is payable abroad.

**Disability grant (Invalidity 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.

The disability grant is 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 10 weeks of paid or credited contributions at the time of death.

Eligible survivors include a widow(er) (married or in a common-law relationship) 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 new common-law relationship.

Remarriage settlement: Paid when the widow(er) remarries or enters into a new common-law relationship.

The survivor pension is payable abroad upon 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) (married or in a common-law relationship) 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.

The special child's benefit is payable abroad.

**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.

The funeral grant is payable abroad.

### Old-Age Benefits

**Old-age pension (Retirement Pension):** The pension consists of a basic benefit and an earnings-related benefit.

**Basic benefit:** J\$3,400 a week is paid if the insured had an annual average of 39 weeks of paid or credited

contributions; J\$2,550 a week with 26 to 38 weeks; or J\$1,700 a week with 10 to 25 weeks.

Earnings-related benefit: J\$0.06 a week is paid for every J\$13 of employee or employer contributions paid during the working life.

Spouse's supplement (Spouse Allowance): J\$900 a week is paid.

Benefit adjustment: The basic benefit component and the spouse's supplement are adjusted periodically based on actuarial evaluations.

**Old-age grant (Retirement Grant):** A lump sum of J\$50,000 is paid.

### Permanent Disability Benefits

**Disability pension (Invalidity Benefit):** J\$320 to J\$3,200 a week is paid for an assessed degree of disability of 10% to 100%, depending on the degree of disability.

Spouse's supplement (Spouse Allowance): J\$900 a week is paid.

Benefit adjustment: Benefits are adjusted periodically based on actuarial evaluations.

**Disability grant (Invalidity 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 or with children aged 18 or older.

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\$90,000 is paid to the person who paid for 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 benefits) system.

Note: The public health care system, which is financed through general taxation, provides limited medical services for free or at a nominal cost in public dispensaries and hospitals. Further information regarding the legal basis of this program is not available.

### 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 benefits):** Employed persons, including casual workers.

Exclusions: Certain company managers (cash sickness benefits only) and 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:** Contributes as an employer; the universal medical benefits are also partially financed by earmarked taxes on tobacco and alcohol.

**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):** Must be diagnosed with one of 17 chronic diseases. There is no minimum qualifying period.

**Medical benefits (National Insurance Gold, social insurance):** Must be receiving a social insurance pension. There is no minimum qualifying period.

### Sickness and Maternity Benefits

**Sickness benefit (employer liability):** 100% of the employee's normal wages is paid for up to 10 days a 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\$7,000.00.

Schedule of payments: The maternity benefit for household workers is paid as a lump sum.

**Maternity benefit (employer liability):** 100% of the employee's normal wages is paid for at least eight weeks.

### Workers' Medical Benefits

**Medical benefits for chronic diseases (National Health Fund, universal):** Partial subsidy for approved prescribed medicine for specified chronic illnesses.

**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):** Dependents are covered in their own right.

**Medical benefits (National Insurance Gold, social insurance):** Not applicable.

### **Administrative Organization**

Ministry of Labour and Social Security (<https://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 and local offices.

Tax Administration Jamaica (<https://www.jamaicatax.gov.jm/>) collects contributions.

National Health Fund (<https://www.nhf.org.jm/>) administers the 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. Occupational diseases are specified by law.

#### **Temporary Disability Benefits**

J\$3,200 a week is paid for any continuous period of work incapacity lasting at least four days, for up to 52 weeks.

### **Permanent Disability Benefits**

**Permanent disability pension (Employment Injury Disablement Benefit):** For an assessed degree of disability of 10% to 100%, J\$320 to J\$3,200 a week is paid depending on the degree of disability.

A medical board assesses the disability.

The permanent disability pension is payable abroad.

Benefit adjustment: Benefits are adjusted periodically based on actuarial evaluations.

### **Workers' Medical Benefits**

Benefits include necessary medical and surgical treatment, rehabilitation, appliances, hospitalization, and medicine.

### **Survivor Benefits**

**Survivor benefit:** J\$4,900 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.

The survivor benefit is payable abroad.

Benefit adjustment: Benefits are adjusted periodically based on actuarial evaluations.

**Funeral grant:** See Old Age, Disability, and Survivors.

The funeral grant is payable abroad.

Benefit adjustment: Benefits are adjusted periodically based on actuarial evaluations.

### **Administrative Organization**

Ministry of Labour and Social Security (<https://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**

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#### **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 payment amount is two weeks of the employee's pay for each year of continuous employment up to 10 years plus three weeks of pay for each year of continuous employment exceeding 10 years.

### **Family Allowances**

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#### **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], 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 younger than age 6 (72 months) must make regular visits to health centers.

Partial benefit: A reduced benefit is paid if a beneficiary does not meet the school attendance or medical requirements.

Means test: The household must be classified as poor based on the Beneficiary Identification System (BIS).

The BIS is a targeting system used to identify poor and vulnerable families based on their incomes, consumption patterns, housing conditions, and access to public services.

**Family Allowance Benefits****Family cash transfer (Programme for Advancement through Health and Education [PATH], means tested):**

J\$1,300 a month is paid for each eligible child younger than age 6; J\$1,350 to J\$2,100 a month for each school-age child, depending on 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.

Partial benefit: At least J\$600 a month is paid for each beneficiary not meeting the school attendance or medical requirements.

Schedule of payments: Benefits are paid every two months.

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.

Eligibility is reviewed every four years.

**Administrative Organization**

Public Assistance Division of the Ministry of Labor and Social Security (<https://www.mlss.gov.jm/pub/index.php>) assesses eligibility and administers the program.

## Mexico

Exchange rate: US\$1.00 = 19.175 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1943 (social insurance).

**Current laws:** 1973 (social insurance); 1995 (individual accounts), implemented in 1997; 2004 (social development).

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

Note: The pay-as-you-go social insurance program was closed to new entrants on July 1, 1997, and is being phased out. At retirement or in case of disability, private-sector employees covered by the social insurance program before July 1, 1997, can choose to receive benefits from either the social insurance program or the mandatory individual account program. (The government receives the account balances and pays benefits for workers who opt for social insurance benefits.)

#### Coverage

**Universal and social assistance:** Resident citizens of Mexico.

**Mandatory individual account and social insurance:** 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 program.

Special social insurance systems for petroleum workers, certain public-sector employees, and military personnel.

#### Source of Funds

##### Insured person

*Universal and social assistance:* None.

*Mandatory individual account and social insurance:* 1.125% of daily covered earnings (old age) plus 0.625% of daily covered earnings (disability and survivors).

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

The legal daily minimum wage is 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA (Unidad de Medida y Actualización).

The daily UMA is 84.49 pesos (February 2019).

The insured person's contributions also finance the marriage grant under Family Allowances.

##### Self-employed person

*Universal and social assistance:* None.

*Mandatory individual account and social insurance:* 6.275% of daily covered earnings (old age) plus 2.375% of daily covered earnings (disability and survivors).

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

The legal daily minimum wage is 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA (Unidad de Medida y Actualización).

The daily UMA is 84.49 pesos (February 2019).

The self-employed person's contributions also finance the marriage grant under Family Allowances.

##### Employer

*Universal and social assistance:* None.

*Mandatory individual account and social insurance:* 5.15% of daily covered payroll (old age) plus 1.75% of daily covered earnings (disability and survivors).

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

The legal daily minimum wage is 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA (Unidad de Medida y Actualización).

The daily UMA is 84.49 pesos (February 2019).

The employer's contributions also finance the marriage grant under Family Allowances.

##### Government

*Universal and social assistance:* The total cost.

*Mandatory individual account and social insurance:* 0.225% of daily covered earnings plus an average flat-rate daily amount of 5.17 pesos (2018) to the individual account for insured persons with earnings up to 15 times the UMA (Unidad de Medida y Actualización) (old age); 0.125% of daily covered earnings (disability and survivors); the total cost of the guaranteed minimum pension.

The daily UMA is 84.49 pesos (February 2019).

## Qualifying Conditions

**Old-age pension (Pensión para el Bienestar de las Personas Adultas Mayores, universal):** Age 68 (age 65 for indigenous persons and persons who were receiving the old-age social pension as of December 2018).

**Old-age pension (Pensión de vejez, mandatory individual account):** Age 65 with at least 1,250 weeks of contributions.

If the insured has less than 1,250 weeks of contributions, he or she can continue contributing or claim an old-age settlement.

Early pension (Pensión anticipada): Paid at any age if the account balance is sufficient to finance a monthly pension of at least 30% of the legal monthly minimum pension and any survivor pensions.

The legal monthly minimum pension is 3,123.18 pesos.

Unemployed worker's old-age pension (Pensión de cesantía en edad avanzada): Age 60 with at least 1,250 weeks of contributions and unable to find suitable paid employment.

Guaranteed minimum pension (Pensión mínima garantizada): Age 65 (age 60 if unemployed and unable to find suitable paid employment) 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 (Ayuda por carga familiar): Paid for a female spouse or partner, children 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).

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 (Pensión de vejez, social insurance):** Age 65 with at least 500 weeks of contributions.

Employment must cease.

Unemployed worker's old-age pension (Pensión de cesantía en edad avanzada): Age 60 with at least 500 weeks of contributions and unable to find suitable paid employment.

Dependent's supplement (Ayuda por carga familiar): Paid for a female spouse or partner, children 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 (Ayuda asistencial): 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 settlement (Retiro del saldo, mandatory individual account):** Age 65 (age 60 if unemployed and

unable to find suitable paid employment) with less than 1,250 weeks of contributions.

**Disability pension (Pensión de invalidez, mandatory individual account):** Must have at least a 75% assessed loss of earning capacity based on normal earnings in the last year of work and at least 150 weeks of contributions; or a 50% to 74% assessed loss of earning capacity and at least 250 weeks.

Dependent's supplement (Ayuda por carga familiar): Paid for a female spouse or partner, children 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 (Ayuda asistencial): Paid if the insured requires the constant attendance of others to perform daily functions.

Guaranteed minimum pension (Pensión mínima garantizada): 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 3,123.18 pesos.

Mexican Social Security Institute assesses the loss of 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.

**Disability pension (Pensión de invalidez, social insurance):** Must have at least a 50% assessed loss of earning capacity based on normal earnings in the last year of work and have 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 (Ayuda por carga familiar): Paid for a female spouse or partner, children 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 (Ayuda por carga familiar): Paid if the insured requires the constant attendance of others to perform daily functions.

Mexican Social Security Institute assesses the loss of 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 (Pensión de sobrevivientes, 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); a cohabiting partner without children who lived with the deceased for at least five years; orphans up to age 16 (age 25 if a student; no limit if disabled); and dependent parents if there are no other eligible survivors. The widower or male partner must be economically dependent on the deceased.

Constant-attendance allowance (Ayuda asistencial): Paid if a widow(er) receiving a survivor pension requires the constant attendance of others to perform daily functions.

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

Remarriage settlement (Asignación por nuevo matrimonio): Paid to a widow(er) or partner receiving a survivor pension 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 (Ayuda para gastos de funeral, 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 (Apoyo Económico de Pago de Marcha, Pensión para el Bienestar de las Personas Adultas Mayores, social assistance, income tested):** Paid to a beneficiary named by a deceased person who was receiving a universal old-age pension. If there is no named beneficiary, no survivor grant is paid.

The named beneficiary must not have received or be receiving a survivor pension or funeral grant.

### **Old-Age Benefits**

**Old-age pension (Pensión para el Bienestar de las Personas Adultas Mayores, universal):** 1,275 pesos a month is paid.

Schedule of payments: The old-age pension is paid every two months.

**Old-age pension (Pensión de vejez, mandatory individual account):** The insured has two different payment options: purchase an annuity or make programmed withdrawals.

Early pension (Pensión anticipada): The insured has two different payment options: purchase an annuity or make programmed withdrawals.

Unemployed worker's old-age pension (Pensión de cesantía en edad avanzada): Calculated in the same way as the individual account old-age pension.

Guaranteed minimum pension (Pensión mínima garantizada): The difference between the monthly old-age pension financed by the account balance and the legal monthly minimum pension is paid.

The legal monthly minimum pension is 3,123.18 pesos.

Dependent's supplement (Ayuda por carga familiar): 15% of the old-age pension is paid for a female spouse or partner; 10% for each eligible child; and 10% for each dependent parent.

Schedule of payments: Twelve monthly payments a year plus a 13th payment for Christmas (one month of the old-age pension without supplements).

Benefit adjustment: Benefits are adjusted annually in February based on changes in the consumer price index.

**Old-age pension (Pensión de vejez, 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 (Pensión de cesantía en edad avanzada): Calculated in the same way as the social insurance old-age pension.

The legal monthly minimum pension is 3,123.18 pesos.

Dependent's supplement (Ayuda por carga familiar): 15% of the old-age pension is paid for a female spouse or partner; 10% for each eligible child; and 10% for each dependent parent.

Constant-attendance allowance (Ayuda asistencial): Up to 20% of the old-age pension is paid.

Schedule of payments: Twelve monthly payments a year plus a 13th payment for Christmas (one month of the old-age pension without supplements).

Benefit adjustment: Benefits are adjusted annually in February based on changes in the consumer price index.

**Old-age settlement (Retiro del saldo, mandatory individual account):** A lump sum of the insured's total account balance is paid.

### **Permanent Disability Benefits**

**Disability pension (Pensión de invalidez, mandatory individual account):** 35% of the insured's average adjusted earnings used to calculate the last 500 weeks of contributions is paid.

If the account balance exceeds the amount needed to finance the legal monthly minimum pension, the insured may withdraw the excess amount and use it to purchase an annuity or apply it to survivor benefits.

The legal monthly minimum pension is 3,123.18 pesos.



Dependent's supplement (Ayuda por carga familiar): 15% of the disability pension is paid for a female spouse or partner; 10% for each eligible child; and 10% for each dependent parent.

Constant-attendance allowance (Ayuda asistencial): Up to 20% of the disability pension is paid.

Guaranteed minimum pension (Pensión mínima garantizada): The difference between the monthly disability pension financed by the account balance and the legal monthly minimum pension is paid.

Schedule of payments: Twelve monthly payments a years plus a 13th payment for Christmas (one month of the disability pension without supplements).

Benefit adjustment: Benefits are adjusted annually in February based on changes in the consumer price index.

**Disability pension (Pensión de invalidez, 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 (Ayuda por carga familiar): 15% of the social insurance disability pension is paid for a female spouse or partner, 10% for each eligible, and 10% for each dependent parent.

The legal monthly minimum pension is 3,123.18 pesos.

Constant-attendance allowance (Ayuda asistencial): Up to 20% of the disability pension is paid.

Schedule of payments: Twelve monthly payments a years plus a 13th payment for Christmas (one month of the disability pension without supplements).

Benefit adjustment: Benefits are adjusted annually in February based on changes in the consumer price index.

### Survivor Benefits

**Survivor pension (Pensión de sobrevivientes, mandatory individual account and social insurance)**

*Spouse's pension (Pensión de viudez):* 90% of the old-age or disability pension the deceased received or was entitled to receive is paid.

Constant-attendance allowance (Ayuda asistencial): Up to 20% of the spouse's pension may be paid to a widow(er) or a partner.

Remarriage settlement (Asignación por nuevo matrimonio): A lump sum of three years of the spouse's pension is paid.

*Orphan's pension (Pensión de orfandad):* 20% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible orphan; 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.

*Dependent parent's pension (Pensión de ascendientes):* If there is no eligible widow(er), partner, or orphan, 20% of the old-age or disability pension the deceased received or was entitled to receive is paid for each dependent parent.

The maximum combined survivor pension 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 (Ayuda para gastos de funeral, social insurance):** A lump sum of 60.8 days of the daily UMA (Unidad de Medida y Actualización) is paid.

The daily UMA is 84.49 pesos (February 2019).

Benefit adjustment: Benefits are adjusted annually in February based on changes in the consumer price index.

**Survivor grant (Apoyo Económico de Pago de Marcha, Pensión para el Bienestar de las Personas Adultas Mayores, social assistance, income tested):** A lump sum of 1,275 pesos is paid.

### Administrative Organization

Secretariat for Welfare (<https://www.gob.mx/bienestar>) oversees and coordinates the universal and social assistance programs.

Mexican Social Security Institute (<http://www.imss.gob.mx>), managed by a general assembly, technical council, oversight commission, and director general, administers the universal, social insurance, and social assistance programs, collects contributions, 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

#### Regulatory Framework

**First law:** 1943 (social insurance).

**Current laws:** 1973 (social insurance); 1995 (social insurance), implemented in 1997; and 2004 (social development).

**Type of program:** Social insurance and social assistance (medical benefits only) system.

#### Coverage

**Social insurance (cash benefits):** Private-sector employees, members of cooperatives, tenant and community farmers, and certain small landowners.

**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, certain small landowners, and public-sector employees who are not covered under any other program.

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

### Source of Funds

#### Insured person

**Social insurance (cash benefits):** 0.25% of monthly covered earnings.

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

The legal daily minimum wage is 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA.

The daily UMA is 84.49 pesos (January 2019).

**Social insurance (medical benefits):** 0.40% of monthly covered earnings exceeding 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 UMA (Unidad de Medida y Actualización) (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 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA.

The daily UMA is 84.49 pesos (January 2019).

**Social assistance:** None.

#### Self-employed person

**Social insurance (cash benefits):** Not applicable.

**Social insurance (medical benefits):** 20.40% of the UMA (Unidad de Medida y Actualización) plus 1.425% of covered earnings exceeding three times the legal monthly minimum wage (pensioners' medical benefits).

The legal daily minimum wage is 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The daily UMA is 84.49 pesos (January 2019).

**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 exceeding 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 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA.

The daily UMA is 84.49 pesos (January 2019).

**Social assistance:** None.

#### Government

**Social insurance (cash benefits):** 0.05% of monthly covered earnings.

**Social insurance (medical benefits):** A flat-rate contribution of 11.82 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 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The daily UMA is 84.49 pesos (February 2019).

**Social assistance:** The total cost.

### Qualifying Conditions

**Cash sickness benefit (Subsidio por enfermedad o accidente general, 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.

**Cash maternity benefit (Subsidio por maternidad, social insurance):** Must have at least 30 weeks of contributions in the 12 months before the benefit is first paid and not work for 42 days before and 42 days after childbirth. The Social Security Institute must confirm the expected date of childbirth.

**Nursing allowance (Subsidio por lactancia, social insurance):** Paid to the wife or partner of an insured person for the birth of a child.

**Medical benefits (social insurance):** Must be currently insured, a pensioner, or an eligible dependent. Pensioners must have at least 750 weeks of contributions. Coverage is extended for unemployed persons and their eligible dependents for up to eight weeks if the insured has at least eight weeks of continuous contributions immediately before covered employment ceases.

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.

**Medical benefits (Programa Pensión para el Bienestar de las Personas Adultas Mayores, social assistance):** Provided to needy persons without access to other medical benefits, especially in rural and underserved urban areas.

### **Sickness and Maternity Benefits**

**Sickness benefit (Subsidio por enfermedad o accidente general, social insurance):** 60% of the insured's last monthly covered earnings is paid after a three-day waiting period for up to 52 weeks; may be extended to 78 weeks under certain conditions.

**Maternity benefit (Subsidio por maternidad, social insurance):** 100% of the insured's last monthly covered earnings is paid for 42 days before and 42 days after the expected date of childbirth.

**Nursing allowance (Subsidio por lactancia, social insurance):** In-kind assistance is provided for up to six months after childbirth.

### **Workers' Medical Benefits**

**Medical benefits (social insurance):** The health facilities of the Mexican 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 up to 52 weeks; may be extended for an additional 52 weeks.

**Medical benefits (Programa Pensión para el Bienestar de las Personas Adultas Mayores, social assistance):** Certain medical benefits are provided through rural hospitals, rural and urban medical units, obstetric care centers, and health brigades.

### **Dependents' Medical Benefits**

**Medical benefits (social insurance):** Benefits for dependents are the same as those for the insured.

**Medical benefits (Programa Pensión para el Bienestar de las Personas Adultas Mayores, social assistance):** Benefits for dependents are the same as those for the primary beneficiary.

### **Administrative Organization**

Secretariat of Welfare (<https://www.gob.mx/bienestar>), through the Undersecretary of Social and Human Development, oversees and coordinates the administration of the social assistance medical benefits.

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 and collects contributions.

Mexican Social Security Institute operates its own hospitals, clinics, pharmacies, and other medical facilities and contracts for the use of some facilities.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1943 (social insurance).

**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 family workers, certain self-employed persons and unpaid workers, household workers, employers, tenant and community farmers, certain small landowners, and public-sector employees who are not covered under any other program.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** 0.5% to 15% of covered payroll, depending on the assessed degree of risk.

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

The legal daily minimum wage is 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The maximum monthly earnings used to calculate contributions are 25 times the daily UMA.

The daily UMA is 84.49 pesos (February 2019).

**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 monthly covered earnings at the time the disability began 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 (Pensión por incapacidad permanente):** For a total (100%) disability, 70% of the insured's average monthly covered earnings in the last 52 weeks (or over the whole contribution period, if shorter) before the disability began is paid.

Constant-attendance allowance (Ayuda asistencial): 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 (Ayuda por carga familiar): 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 greater than 50% but less than 100%, a percentage of the full permanent disability pension is paid depending on the assessed degree of disability. For an assessed degree of disability of 26% to 50%, the insured has two different payment options: a percentage of the full permanent disability pension paid based on the assessed degree of disability or a lump sum of five years of the insured's pension. For an assessed degree of disability of 25% or less, a lump sum of five years of the permanent disability pension is paid.

Christmas bonus (Aguinaldo anual): 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 based on the assessed the degree of disability.

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 based on changes in the consumer price index.

### **Workers' Medical Benefits**

Benefits include medical and surgical care, hospitalization, medicine, rehabilitation, appliances, and orthopedics.

### **Survivor Benefits**

#### **Survivor pension**

*Spouse's pension:* 40% of the permanent disability pension the deceased received or would have received for a total disability 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 (re)marries 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 (re)marriage or cohabitation.

*Orphan's pension:* 20% of the permanent disability pension the deceased received or would have received for a total disability is paid for each orphan 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.

*Dependent parent's pension (Pensión de ascendientes):* If there is no widow(er) or orphan, 20% of the permanent disability pension the deceased received or would have received for a total disability is paid to each eligible dependent parent.

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

Christmas bonus (Aguinaldo anual): A supplement of 15 days of the permanent disability pension for a total disability 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 based on changes in the consumer price index.

**Funeral grant (Ayuda para gastos de funeral):** A lump sum of sixty times the daily UMA (Unidad de Medida y Actualización) effective on the date of the insured's death is paid.

The daily UMA is 84.49 pesos (January 2019).

### **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 and collects contributions.

### **Unemployment**

#### **Regulatory Framework**

Federal labor law (1970) requires employers to provide severance pay to dismissed employees. The payment amount

is three months plus 20 days of an employee's earnings for each year of service, up to 12 months of earnings.

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 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

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 (social insurance).

**Current laws:** 1995 (social security), implemented in 1997; and 2004 (social developments).

**Type of program:** Social insurance, mandatory individual account, and social assistance system.

### Coverage

**Social insurance:** Employed persons who are mothers, divorced fathers or widow(er)s with children, or legal guardians.

Exclusions: Self-employed persons.

**Mandatory individual account:** 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 program.

Special social insurance systems for petroleum workers, certain public-sector employees, and military personnel.

**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 102.68 pesos; 176.72 pesos in municipalities by the northern country border (January 2019).

The daily UMA is 84.49 pesos (February 2019).

*Mandatory individual account:* See source of funds under Old Age, Disability, and Survivors.

*Social assistance:* None.

### Government

*Social insurance:* None.

*Mandatory individual account:* None.

*Social assistance:* The total cost.

## Qualifying Conditions

**Day care center (Guarderías infantiles, social insurance):** Paid for children aged 43 days to 4 years who are enrolled in day care. A mother or father must have legal custody of a child.

**Marriage grant (Ayuda para gastos de matrimonio, mandatory individual account):** Must not be previously married and have at least 150 weeks of contributions to the individual account.

**School allowance (Programa Nacional de Becas para el Bienestar Benito Juárez, social assistance, means tested)**

*Basic education allowance (Beca Bienestar para las Familias de Educación Básica):* Paid to families living in extreme poverty with children younger than age 18 in nursery, preschool, primary school, or secondary school.



## Mexico

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*High school allowance (Beca Universal para Estudiantes de Educación Media Superior):* Paid to families with children attending public high school. The program prioritizes indigenous families living in poverty or vulnerable situations.

*Higher education allowance (Beca Jóvenes Escribiendo el Futuro de Educación Superior):* Paid to students up to age 29 enrolled in public higher education. The program prioritizes persons studying at public institutions in areas with a majority population of indigenous background or African descent, and areas with an increased incidence of violence or marginalization.

### **Family Allowance Benefits**

**Day care center (Guarderías infantiles, social insurance):** The total cost of the child care at selected institutions is paid.

**Marriage grant (Ayuda para gastos de matrimonio, 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 84.49 pesos (February 2019).

**School allowance (Programa Nacional de Becas para el Bienestar Benito Juárez, social assistance, means tested)**

*Basic education allowance (Beca Bienestar para las Familias de Educación Básica):* 800 pesos a month is paid for each family.

Schedule of payments: The basic school allowance is paid every two months.

*High school allowance (Beca Universal para Estudiantes de Educación Media Superior):* 800 pesos a month is paid for each eligible child.

Schedule of payments: The high school allowance is paid every two months.

*Higher education allowance (Beca Jóvenes Escribiendo el Futuro de Educación Superior):* 2,400 pesos a month is paid for each eligible student.

Schedule of payments: The higher education allowance is paid every two months.

### **Administrative Organization**

National Coordination of Benito Juárez Scholarships for Welfare (<https://www.gob.mx/becasbenitojuarez/>) oversees and coordinates the administration of the school allowances program.

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, oversees the mandatory individual account program, and collects contributions.

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 = 33.05 córdobas.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1956 (social security), implemented in 1957.

**Current laws:** 1982 (social security) and 1982 (social security regulations).

**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, persons who previously had mandatory coverage, certain members of the clergy, citizens of Nicaragua working at diplomatic missions or for international organizations in Nicaragua, and family labor.

Exclusions: Seasonal agricultural workers.

Special systems for employees of the Ministry of Interior, including firefighters, police and correctional personnel; and for military personnel.

#### Source of Funds

**Insured person:** 4.75% of monthly covered earnings.

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

The legal monthly minimum wage ranges from 4,176.49 córdobas (agriculture) to 9,346.59 córdobas (construction, finance, and insurance), depending on the economic sector.

There are no maximum earnings used to calculate contributions.

The insured person's contributions also finance family allowances.

**Self-employed person:** 14% of monthly covered declared earnings (old-age, disability, and survivor benefits and dependent supplements); 11.6% of monthly covered declared earnings for the clergy (old-age, disability, and survivor benefits).

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

The legal monthly minimum wage for agricultural workers is 4,176.49 córdobas.

There are no maximum earnings used to calculate contributions.

**Employer:** 12.50% of monthly covered payroll (firms with fewer than 50 workers); 13.50% of monthly covered payroll (firms with at least 50 workers).

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

The legal monthly minimum wage ranges from 4,176.49 córdobas (agriculture) to 9,346.59 córdobas (construction, finance, and insurance), depending on the economic sector.

There are no maximum earnings used to calculate contributions.

The employer's contributions also finance family allowances.

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

#### Qualifying Conditions

**Old-age pension (Pensión de vejez):** 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 70.

Constant-attendance allowance: Paid if the insured requires the constant attendance of others to perform daily functions.

Dependent's supplement: Paid for a dependent wife or disabled husband, children younger than age 15 (age 21 if a student, no limit if disabled), and dependent parents or grandparents older than age 60 or with disabilities.

A pensioner who works must pay contributions; the pensioner's salary must not exceed the amount of his or her pension.

The old-age pension is not payable abroad.

**Disability pension (Pensión de invalidez):** Must have at least a 67% assessed loss of earning capacity and at least 150 weeks of contributions in the six years immediately before the disability began or at least 250 total weeks of contributions.

Partial pension: Must have at least a 50% but less than a 67% assessed loss of earning capacity and at least 150 weeks of contributions in the six years immediately

before the disability began or at least 250 total weeks of contributions.

**Constant-attendance allowance:** Paid if the insured requires the constant attendance of others to perform daily functions.

**Dependent's supplement:** Paid for a dependent wife or disabled husband, children younger than age 15 (age 21 if a student, no limit if disabled), and dependent parents or grandparents older than age 60 or with disabilities.

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.

A medical board appointed by the Nicaraguan Institute of Social Security assesses and review the loss of earning capacity every three years.

The disability pension is 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), and orphans younger than age 15 (age 21 if a student, no limit if disabled).

Depending on the number of other eligible survivors, dependent parents or grandparents older than age 60 or disabled may also receive benefits.

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

**Remarriage and cohabitation grant:** Paid to a widow(er) upon remarriage or cohabitation.

Survivor pensions are not payable abroad.

**Funeral grant (Subsidio de funeral):** The deceased was in covered employment or was a pensioner at the time of death.

### **Old-Age Benefits**

**Old-age pension (Pensión de vejez):** 20% of the insured's average monthly earnings in the last 375 weeks of contributions plus 1% for every 52 weeks of contributions exceeding 150 weeks is paid.

The minimum monthly old-age pension is the legal monthly minimum wage in the insured's occupation.

The legal monthly minimum wage ranges from 4,062.79 córdobas (agriculture) to 9,346.59 córdobas (construction, finance, and insurance), depending on the economic sector.

**Partial pension:** With 250 to 349 weeks of contributions, 1,910 córdobas a month is paid; with 350 to 449 weeks, 2,356 córdobas a month; with 450 to 549 weeks, 2,884 córdobas a month; with 550 to 649 weeks, 3,290 córdobas a month; and with 650 to 749 weeks, 3,656 córdobas a month.

**Deferred pension:** The pension is increased by 1% for every 52 weeks of contributions after age 60, up to 10%.

The maximum monthly old-age pension is 70% of the insured's average monthly earnings in the last 375 weeks of contributions.

**Constant-attendance allowance:** 20% of the old-age pension is paid.

**Dependent's supplement:** 13.5% of the old-age pension is paid for a dependent wife or disabled husband; 9% for each eligible child; and 9% for eligible parents or grandparents.

The maximum monthly old-age pension and dependent's supplement is 100% of the insured's average monthly earnings in the last 375 weeks of contributions 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 are adjusted annually on November 30 based on changes in the consumer price index.

### **Permanent Disability Benefits**

**Disability pension (Pensión de invalidez):** 20% of the insured's average monthly earnings in the last 375 weeks of contributions plus 1% for every 52 weeks of contributions exceeding 150 weeks is paid.

The minimum monthly disability pension is the legal monthly minimum wage in the insured's occupation.

The legal monthly minimum wage ranges from 4,873.29 córdobas (agriculture) to 9,346.59 córdobas (construction, finance, and insurance), depending on the economic sector.

The maximum monthly disability pension is 70% of the insured's average monthly earnings in the last 375 weeks of contributions.

If the insured has a spouse and children, the total disability pension must not be less than 50% of the insured's average monthly earnings.

**Partial pension:** 50% of the full disability pension is paid.

The partial pension must be greater than 33% but less than 50% (depending on the degree of disability) of the legal monthly minimum wage in the insured's occupation.

**Constant-attendance allowance:** 20% of the full disability pension is paid.

**Dependent's supplement:** 13.5% of the old-age pension is paid for a dependent wife or disabled husband; 9% for each eligible child; and 9% for eligible parents or grandparents.

The maximum monthly disability pension and dependent's supplement is 100% of the insured's average monthly earnings in the last 375 weeks of contributions 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 are adjusted annually on November 30 based on changes in the consumer price index.

## Survivor Benefits

### Survivor pension

*Spouse's pension (Pensión de viudedad):* 50% of the old-age or disability pension the deceased received or was entitled to receive is paid for life to a widow aged 45 or older (any age if disabled) or a dependent widower aged 60 or older (any age if disabled); for up to two years to a widow younger than age 45 (temporary survivor pension) or without maximum duration if she is caring for a child receiving an orphan's pension.

A widow who previously received a temporary survivor pension may be entitled to receive a spouse's pension for life upon reaching age 60 if she has not remarried, is unemployed, and is not receiving any other pension.

Remarriage and cohabitation grant: A lump sum of 12 months of the spouse's pension is paid.

*Orphan's pension (Pensión de orfandad):* 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each eligible orphan; 50% for a full orphan.

*Other dependent's pension (Pensión de ascendientes):* Depending on the number of other eligible survivors, up to 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to other dependent relatives.

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

Benefit adjustment: Benefits are adjusted annually on November 30 based on changes in the consumer price index.

**Funeral grant (Subsidio de funeral):** A lump sum of the cost of the funeral or 50% of the deceased's last monthly covered earnings in the 26 weeks before death, whichever is lower, is paid to the person who paid for the funeral.

## Administrative Organization

Nicaraguan Institute of Social Security (<https://www.inss.gob.ni/>) administers the programs and collects contributions.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1956 (social security), implemented in 1957.

**Current laws:** 1982 (social security), 1982 (social security regulations), and 2002 (health).

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

Note: The 2014 Family Code introduced a five-day paternity benefit.

### Coverage

**Social insurance (cash and medical benefits):** Employed persons, farmers who benefited from the Agrarian Reform, members of professional associations, certain members of the clergy, members of cooperatives, and old-age pensioners (medical benefits only).

Voluntary coverage for self-employed persons, persons who previously had mandatory coverage, certain members of the clergy, citizens of Nicaragua working at diplomatic missions or for international organizations in Nicaragua, and family labor.

Exclusions: Seasonal agricultural workers.

Special systems for employees of the Ministry of Interior, including firefighters, police and correctional personnel; and for military personnel.

**Social assistance (medical benefits):** Needy persons, including elderly and persons with disabilities.

### Source of Funds

#### Insured person

*Social insurance:* 2.25% of monthly covered earnings.

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

The legal monthly minimum wage ranges from 4,176.49 córdobas (agriculture) to 9,346.59 córdobas (construction, finance, and insurance), depending on the economic sector.

*Social assistance:* None.

#### Self-employed person

*Social insurance:* 8.25% of monthly covered earnings.

The minimum monthly earnings used to calculate contributions are 6,400 córdobas.

*Social assistance:* None.

#### Employer

*Social insurance:* 6% of monthly covered payroll.

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

## Nicaragua

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The legal monthly minimum wage ranges from 4,176.49 córdobas (agriculture) to 9,346.59 córdobas (construction, finance, and insurance), depending on the economic sector.

*Social assistance:* None.

### Government

*Social insurance:* 1.75% of monthly covered earnings for insured and self-employed persons; contributes as employer.

The government's contributions also finance family allowances.

*Social assistance:* The total cost.

### Qualifying Conditions

**Cash sickness benefit (Subsidio de enfermedad, social insurance):** Must have at least eight weeks of contributions in the last 22 weeks. Unemployed persons with at least eight weeks of contributions in the last 22 weeks are covered for eight weeks after employment ceases. Voluntarily insured 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 benefits (Subsidio de maternidad, 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. Voluntarily insured persons must have at least one year of continuous contributions.

Nursing allowance (Subsidio de lactancia): Paid to an insured woman or the wife of an insured man for each child younger than age seven months.

**Medical benefits (Prestaciones de salud, social insurance):** Must have at least eight weeks of contributions in the last 22 weeks; there is no minimum qualifying period for old-age pensioners.

Eligible dependents include a spouse and children up to age 12.

**Medical benefits (Prestaciones médicas, 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 (Subsidio de enfermedad, social insurance):** 60% of the insured's average weekly earnings in the last eight weeks before the incapacity began is paid after a three-day waiting period (waived if hospitalized) for up to 52 weeks.

**Maternity benefit (Subsidio de maternidad, social insurance):** 60% of the insured's average weekly earnings in the last eight weeks before childbirth is paid for four weeks before and eight weeks after the expected date of childbirth; may be extended for an additional two weeks for each additional child resulting from a multiple birth.

Nursing allowance (Subsidio de lactancia): 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 under certain conditions.

### Workers' Medical Benefits

**Medical benefits (Prestaciones de salud, social insurance):** Public hospitals and private clinics under contract with the Nicaraguan Institute of Social Security provide medical benefits. Benefits include general and specialist care, hospitalization, laboratory services, and maternity care. Old-age pensioners are entitled to medical services for certain illnesses and surgical treatments.

There is no limit to duration.

**Medical benefits (Prestaciones médicas, social assistance):** Public health facilities provide free health care including hospitalization and outpatient services, diagnostics, and medicines, in accordance with a basic list defined by the Ministry of Health.

### Dependents' Medical Benefits

**Medical benefits (Prestaciones de salud, social insurance):** Benefits for dependents are the same as those for the insured.

**Medical benefits (Prestaciones médicas, social assistance):** No information available.

### 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.

### Work Injury

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#### Regulatory Framework

**First law:** 1945 (labor code).

**Current laws:** 1982 (social security) and 1982 (social security regulations).

**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, citizens of Nicaragua working at diplomatic missions or for international organizations in Nicaragua, and family labor.

Special systems for employees of the Ministry of Interior, including firefighters, police and correctional personnel; and for military personnel.

## Source of Funds

**Insured person:** None.

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

**Employer:** 1.5% of monthly covered payroll plus 1.5% for war victims' pensions.

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

The legal monthly minimum wage ranges from 4,176.49 córdobas (agriculture) to 9,346.59 córdobas (construction, finance, and insurance), depending on the economic sector.

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

## Qualifying Conditions

Must be assessed with a work injury or an occupational disease. Accidents that occur while commuting to and from work are covered. There is no minimum qualifying period.

## 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 (Pensión por incapacidad permanente):** For a total (at least a 67% assessed loss of earning capacity) disability, 20% of the insured's average monthly earnings plus 1% for every 52 weeks of contributions exceeding 150 weeks is paid.

Average monthly earnings are based on the insured's earnings in 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 in the insured's occupation, whichever is lower.

The legal monthly minimum wage ranges from 4,176.49 córdobas (agriculture) to 9,346.59 córdobas

(construction, finance, and insurance), depending on the economic sector.

Constant-attendance allowance: 20% of the permanent disability pension is paid if the insured is assessed with a total disability and requires the constant attendance of others to perform daily functions.

Dependent's supplement: 13.5% of the permanent disability pension is paid for a wife or disabled husband; 9% for each child younger than age 15 (age 21 if a student, no limit if disabled); and 9% for dependent relatives older than age 60 or disabled.

Partial disability: For an assessed loss of earning capacity of at least 20% but less than 67%, a percentage of the full permanent disability pension is paid based on the assessed degree of disability.

The partial disability pension must be greater than 20% but less than 67% (depending on the degree of disability) of the legal monthly minimum wage in the insured's occupation. A lump sum of five times the insured's annual salary is paid for an assessed loss of earning capacity of less than 20%.

The legal monthly minimum wage ranges from 4,176.49 córdobas (agriculture) to 9,346.59 córdobas (construction, finance, and insurance), depending on the economic sector.

Schedule of payments: The permanent disability pension is paid monthly, with an additional payment made each Christmas.

Benefit adjustment: Benefits are adjusted annually on November 30 based on changes in the consumer price index.

## Workers' Medical Benefits

Medical benefits are provided for work injuries and occupational diseases. Benefits include general and specialist care, medicine, dental care, laboratory services, X-rays, hospitalization, prostheses, appliances, and rehabilitation.

## Survivor Benefits

### Survivor pension

**Spouse's pension (Pensión de viudedad):** 50% of the permanent disability pension the deceased received or was entitled to receive is paid for life to a widow aged 45 or older (any age if disabled) or a dependent widower aged 60 or older (any age if disabled); a temporary survivor pension is paid for up to two years to a widow younger than age 45 (temporary survivor pension) or without maximum duration if caring for a child receiving an orphan's pension).

A widow who previously received a temporary survivor pension may be entitled to receive a spouse's pension for life upon reaching age 60 if she has not remarried, is unemployed and is not receiving any other pension.



**Orphan's pension (*Pensión de orfandad*):** 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's pension (*Pensión de ascendientes*):** 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 (*Subsidio de Funeral*):** See Old Age, Disability, and Survivors.

### **Administrative Organization**

Nicaraguan Institute of Social Security (<https://www.inss.gob.ni/>) administers the program and collects contributions.

## **Unemployment**

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### **Regulatory Framework**

The labor code requires employers to provide employees with severance pay in cases 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 the first three continuous service plus 20 days of monthly 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**

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### **Regulatory Framework**

**First law:** 1956 (social security), implemented in 1957.

**Current laws:** 1982 (social security) and 1982 (social security regulations).

**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, military personnel, citizens of Nicaragua working at diplomatic missions or for international organizations in Nicaragua, and family labor.

Special system for employees of the Ministry of Interior, including firefighters, police and correctional 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:** None; contributes as an employer.

## **Qualifying Conditions**

**Marriage grant (*Ayuda para gastos de matrimonio*):** Must have at least three years of contributions.

## **Family Allowance Benefits**

**Marriage grant (*Ayuda para gastos de matrimonio*):** 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 (social insurance fund) and 2009 (social assistance).

**Current laws:** 2005 (social insurance and individual accounts) and 2010 (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; and public- and private-sector employees who started working from January 1, 2006, to December 31, 2007, and who chose not to participate in the mixed 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.

Voluntary coverage for persons not subject to mandatory coverage, including employees of international organizations and foreign diplomatic missions working in Panama.

**Mandatory individual account only:** Self-employed persons aged 35 or younger on January 1, 2007, with gross annual earnings greater than 9,600 balboas.

**Social assistance:** Needy citizens of Panama.

#### Source of Funds

##### Insured person

**Social insurance only:** 9.25% of gross monthly earnings (7.25% of the 13th monthly salary each year).

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 13th monthly salary each year) plus 9.25% of gross monthly earnings exceeding 500 balboas to the individual account (7.25% of the 13th monthly salary each year).

There are no maximum earnings used to calculate contributions.

Of the combined insured person and employer mandatory individual account contributions, 10% is allocated to the individual account, 2.5% to a solidarity contribution, 0.93% to collective old-age insurance, and 0.07% to collective disability insurance.

**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.

Of the self-employed person's contribution, 10% is allocated to the individual account, 2.5% to a solidarity contribution, 0.93% to collective old-age insurance, and 0.07% to collective disability insurance.

**Social assistance:** None.

##### Employer

**Social insurance only:** 4.25% of gross monthly earnings (10.75% of the 13th monthly salary each year).

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 13th monthly salary each year) plus 4.25% of gross monthly earnings exceeding 500 balboas to the individual account (10.75% of the 13th monthly salary each year).

Of the combined insured person and employer mandatory individual account contributions, 10% is allocated to the individual account, 2.5% to a solidarity contribution, 0.93% to collective old-age insurance, and 0.07% to collective disability insurance.

**Individual account only:** None.

**Social assistance:** None.

### Government

*Social insurance only:* Provides 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 finance the administrative costs of cash sickness and maternity benefits.

*Individual account only:* None.

*Social assistance:* The total cost.

### Qualifying Conditions

#### **Old-age pension (Pensión por Vejez, social insurance):**

Age 62 (men) or age 57 (women) with at least 240 months of contributions (at least 120 months of contributions for seasonal agricultural and construction workers; no contribution requirement for self-employed persons).

Partial pension (Pensión por Vejez Proporcional): Age 62 (men) or age 57 (women) with 180 months to 239 months of contributions.

Early pension (Pensión por Vejez Anticipada): Age 60 (men) or age 55 (women) with at least 240 months of contributions.

Early partial pension (Pensión por Vejez Proporcional Anticipada): Age 60 (men) or age 55 (women) with 180 months to 239 months of contributions.

Deferred pension: The pension may be deferred. There is no age limit.

Dependent's supplement (Asignación Familiar): Age 62 (men) or age 57 (women) with eligible dependents.

Eligible dependents include a wife; a female partner who is pregnant, has children with the insured, or has lived with the insured for at least five years; a disabled husband, and children younger than age 14 (age 18 if a full-time student; no limit if disabled).

The social insurance old-age pension is payable abroad.

#### **Old-age pension (Pensión por Vejez, mandatory individual account):**

Age 62 (men) or age 57 (women) with at least 240 months of contributions (at least 120 months of contributions for seasonal agricultural and construction workers; no contribution requirement for self-employed persons).

Top-up benefit: Must have voluntarily enrolled in the mixed system from 2006 to 2007 with contributions on monthly earnings exceeding 500 balboas in the 12 months before enrolling in the mixed system.

The individual account old-age pension is payable abroad.

**Old-age settlement (Indemnización por Vejez, 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 (Pensión 120 a los 65, social assistance, means tested):** Age 65, assessed as needy, and not receiving any other pension.

Beneficiaries must undergo periodic medical examinations.

**Disability pension (Pensión de Invalidez, social insurance and mandatory individual account):** Must be younger than the normal retirement age, be assessed with at least a 66.7% loss of work capacity, and have 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.

Dependent's supplement (Asignación Familiar, social insurance): Paid for a wife; a female partner who is pregnant, has children with the insured, or has lived with the insured for at least five years; a disabled husband, and children younger than age 14 (age 18 if a full-time student; no limit if disabled).

The disability pension is payable abroad.

**Disability grant (Indemnización por Invalidez, social insurance and mandatory individual account):** Must be younger than the normal retirement age; be assessed with at least a 66.7% loss of work capacity; have at least 12 months of contributions, including at least six months in the 12 months before the disability began; and not meet the contribution requirements for a disability pension.

**Survivor pension (Pensión de Sobrevivientes, social insurance):** The deceased received or was entitled to receive a social insurance 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); a female partner who is pregnant, had children with the deceased, or had lived with the deceased for at least five years; and orphans younger than age 18 (no limit if disabled); if there are no other eligible survivors, the deceased's dependent mother, or his or her aged or disabled dependent father.

The social insurance survivor pension is payable abroad.

**Survivor pension (Pensión de Sobrevivientes, 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 eligible survivors, the mother and father; if there is no eligible family member, the designated heir.

The individual account survivor pension is payable abroad.

**Survivor grant (Indemnización de Sobrevivientes, 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 (Auxilio de Funeral, social insurance):** The deceased received or was entitled to receive a social insurance old-age 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 (Pensión por Vejez, social insurance):** 60% of the insured's average monthly earnings in the best 10 years of earnings plus 1.25% of average monthly earnings for every 12 months of contributions exceeding 20 years is paid.

For seasonal agricultural and construction workers, 60% of the insured's average monthly earnings in the best 10 years of earnings multiplied by the number of months of contributions divided by 180 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 255 balboas. There is no minimum 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 at least 25 years of contributions and average monthly earnings of at least 2,000 balboas in the last 15 years of contributions, or 2,500 balboas with at least 30 years of contributions and average monthly earnings of at least 2,500 balboas in the 20 best years of earnings).

The maximum monthly old-age pension for the social insurance component of the mixed system is 500 balboas.

**Partial pension (Pensión por Vejez Proporcional):** 60% of the insured's average monthly earnings in the best 10 years of earnings multiplied by the number of months of contributions divided by 240 is paid.

**Early pension (Pensión por Vejez Anticipada):** The old-age pension is reduced by 8.72% if it is claimed one year before the normal retirement age or by 16.58% if it is claimed two years before the normal retirement age.

**Early partial pension (Pensión por Vejez Proporcional Anticipada):** The partial pension is reduced by 8.72% if it is claimed one year before the normal retirement age or by 16.58% if it claimed two years before the normal retirement age.

**Deferred pension:** The old-age pension (as calculated above) plus 2% of the insured's average monthly earnings in the best 10 years of earnings for each year of contributions after the normal retirement age is paid.

**Dependent's supplement (Asignación Familiar):** 20 balboas a month is paid for an eligible wife, female partner, or a husband with a disability; 10 balboas a month for each eligible child.

The maximum monthly dependent's supplement is 100 balboas.

**Benefit adjustment:** Benefits are adjusted on an ad hoc basis based on economic conditions.

**Old-age pension (Pensión por Vejez, 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 old-age insurance tops up the account balance.

**Top-up benefit:** A monthly benefit is paid based on the amount the insured contributed on monthly earnings exceeding 500 balboas before switching to the mixed system.

**Old-age settlement (Indemnización por Vejez, social insurance):** A lump sum of one month of the old-age pension is paid for every six months of contributions.

**Old-age settlement (Indemnización por Vejez, mandatory individual account):** A lump sum of the account balance is paid.

**Old-age social pension (Pensión 120 a los 65, social assistance, means tested):** 120 balboas a month is paid.

### **Permanent Disability Benefits**

**Disability pension (Pensión de Invalidez, social insurance):** 60% of the insured's average monthly earnings in the best 10 years of earnings (or over the total contribution period if less than 10 years) plus 1.25% of average monthly earnings for every year of contributions exceeding 20 years is paid for two years. If the pension is extended beyond two years, it is paid for life.

The minimum monthly disability pension is 255 balboas.

The maximum monthly disability pension for social insurance only is 1,500 balboas (2,000 balboas with at least 25 years of contributions and average monthly earnings of at least 2,000 balboas in the last 15 years of contributions, or 2,500 balboas with at least 30 years of contributions and average monthly earnings of at least 2,500 balboas in the 20 best years of earnings).

The maximum monthly disability pension for the social insurance component of the mixed system is 500 balboas.

**Dependent's supplement (Asignación Familiar, social insurance):** 20 balboas a month is paid for an eligible wife,



## Panama

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female partner, or a husband with a disability; 10 balboas a month for each eligible child.

The maximum monthly dependent's supplement is 100 balboas.

Benefit adjustment: Benefits are adjusted on an ad hoc basis based on economic conditions.

**Disability pension (Pensión de Invalidez, 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 (Indemnización por Invalidez, social insurance):** A lump sum of one month of the disability pension is paid for every six months of contributions.

**Disability grant (Indemnización por Invalidez, mandatory individual account):** A lump sum of the account balance is paid.

### Survivor Benefits

**Survivor pension (Pensión de Sobrevivientes, social insurance)**

*Spouse's pension (Pensión de viudez):* 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 (Pensión de orfandad):* 20% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for each eligible orphan; 50% for a full orphan.

*Other dependent's pension (Otras pensiones de sobrevivientes):* 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 pension 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 based on economic conditions.

**Survivor pension (Pensión de Sobrevivientes, mandatory individual account):** The total account balance is paid to eligible survivors as programmed withdrawals.

**Survivor grant (Indemnización de Sobrevivientes, 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 every six months of contributions.

**Funeral grant (Auxilio de Funeral, 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

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#### Regulatory Framework

**First law:** 1941 (social insurance fund).

**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 persons not subject to mandatory coverage, employees of international organizations and foreign diplomatic missions working in Panama, and caregivers.

#### Source of Funds

##### Insured person

**Cash benefits:** 0.5% of gross monthly earnings; 0.5% of monthly declared earnings for the voluntarily insured.

**Medical benefits:** None for employees; 6.75% of the monthly pension for pensioners; 8% of gross monthly earnings for the voluntarily insured.

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 the voluntarily insured.

The legal monthly minimum wage varies depending on industry, region, and company size.

There are no maximum earnings used to calculate contributions.

##### Self-employed person

**Cash benefits:** 0.5% of monthly declared earnings.

**Medical benefits:** 8% of monthly declared earnings.

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

The legal monthly minimum wage varies depending on industry, region, and company size.



There are no maximum earnings used to calculate contributions.

### Employer

**Cash benefits:** None.

**Medical benefits:** 8% of gross monthly 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 the voluntarily insured.

The legal monthly minimum wage varies depending on industry, region, and company size.

There are no maximum earnings used to calculate contributions.

### Government

**Cash benefits:** See Source of Funds under Old Age, Disability, and Survivors.

**Medical benefits:** None; contributes as an employer. (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 (Subsidio por Enfermedad):** Must have at least six months of contributions in the last nine months before the incapacity began.

**Cash maternity benefit (Subsidio por Maternidad):** Must have at least nine months of contributions in the year before the seventh month of pregnancy.

**Medical benefits (Atención Médica):** Must be currently insured or a pensioner; there is no minimum qualifying period. If the insured becomes unemployed, coverage continues for three months after employment ceases (two years if the insured has at least 20 years of contributions).

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); a dependent father aged 60 or older (at any age if disabled); and a dependent mother aged 50 or older (at any age if disabled).

### Sickness and Maternity Benefits

**Sickness benefit (Subsidio por Enfermedad):** 70% of the insured's average daily earnings in the two months before the incapacity began is paid from the fourth day of incapacity for up to 26 weeks for the same illness.

There is no minimum or maximum sickness benefit.

**Maternity benefit (Subsidio por Maternidad):** 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

**Medical benefits (Atención Médica):** 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 (Atención Médica):** Benefits for dependents are the same as those for the insured.

### 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

#### Regulatory Framework

**First law:** 1916 (work injury).

**Current law:** 1970 (occupational risks).

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

#### Coverage

Public- and private-sector employees, including civil servants, employees of local governments, and unpaid apprentices.

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 that vary depending on the assessed degree of risk).

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

#### Qualifying Conditions

Must be assessed with a work injury or occupational disease. There is no minimum qualifying period. 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 two months before the disability began is paid for the first

## Panama

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two months; thereafter, 60% is paid until recovery or certification of permanent disability.

### **Permanent Disability Benefits**

For a total (100%) disability, 60% of the insured's average monthly earnings in the 12 months before the disability began is paid for two years. If the pension is extended beyond two years or the insured reaches age 60 (men) or age 55 (women) while receiving the permanent disability pension, the pension is paid for life.

The minimum monthly permanent disability pension for is 255 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 based on 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 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 average monthly earnings in the last 12 months is paid to a widow or female partner; 30% if the widow or female partner is the sole beneficiary or disabled.

**Orphan's pension:** 15% of the deceased's average monthly earnings in the last 12 months is paid for one orphan younger than age 18 (no age limit if disabled); 25% for two orphans; 35% for three orphans; or 40% for four or more orphans. If there is no widow(er), 20% of the deceased's average monthly 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 eligible survivors, 20% to 30% of the deceased's average monthly earnings in the last 12 months is paid to a mother for up to 10 years; 10% to a father who is aged 60 or older or disabled. The deceased's dependent sibling(s) younger than age 18 (no limit if disabled) receive the same amount as an orphan would receive for up to six years.

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**

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#### **Regulatory Framework**

**First and current law:** 1995 (labor code).

**Type of program:** Mandatory individual account system.

#### **Coverage**

Private-sector employees with permanent contracts working in firms with at least five workers.

**Exclusions:** Public-sector employees and self-employed persons.

#### **Source of Funds**

**Insured person:** None; voluntary contributions are possible.

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

**Employer:** 2.25% of quarterly payroll. Contributions are paid every three months.

**Government:** None.

#### **Qualifying Conditions**

Paid if the insured's service with an employer ceases.

**Loan program:** The insured can take loans against his or her account balance to purchase housing or property, regardless of the employment status.

#### **Unemployment Benefits**

The total account balance is paid.

**Loan program:** A portion of the account balance may be used as collateral against a loan from an approved lending institution.

If the insured dies, a portion of the account balance may be paid to his or her eligible survivor(s).

Eligible survivors include, in order of priority, orphans younger than age 18, a widow(er) or common-law spouse who was living with the deceased at the time of death, and the deceased's parents.

## Administrative Organization

Superintendent of Banks of Panama (<https://www.superbancos.gob.pa/>) provides general and regulatory supervision.

Banks, private insurers, and investment companies administer the individual accounts.

## Family Allowances

### Regulatory Framework

**First and current laws:** 2007 (social assistance), 2010 (education allowances), and 2012 (social assistance for disabled people).

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

### Coverage

**Universal:** Citizens of Panama.

**Social assistance (disability cash transfer):** Citizens of Panama and their children.

**Social assistance (family cash transfer):** 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, lower secondary, and upper secondary school. Students in primary school must have passed the previous school year. Students in lower secondary school (ages 12 to 15) must pass all subjects to receive the monthly benefit. Students at 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. The beneficiary and his or her family must meet certain requirements related to health, education, and psychological support.

**Income test:** Monthly family income must be below the cost of the basic food basket (308.25 balboas a month in Panama City and San Miguelito or 286.42 balboas a month in the rest of the country as of August 2019).

**Family cash transfer (Red de Oportunidades, social assistance, means tested):** Paid to families with children younger than 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 have at least an 85% registered attendance rate.

**Means test:** Monthly family income must be below the cost of the basic food basket (308.25 balboas a month in Panama City and San Miguelito or 286.23 balboas a month in the rest of the country in August 2019). Must be assessed as needy based on the Social Vulnerability Survey (Encuesta de Vulnerabilidad Social–EVS).

The EVS is a targeting system used to identify poor and vulnerable households based on their income, consumption patterns, housing conditions, geographical location.

### Family Allowance Benefits

**School cash transfer (Beca Universal, universal):** 30 balboas a month (270 balboas a year) is paid for an eligible student aged 6 to 11 attending primary school; 40 balboas a month (360 balboas a year) for a student aged 12 to 15 attending lower secondary school; 50 balboas a month (450 balboas a year) for a student aged 15 to 18 attending upper secondary school.

**Disability cash transfer (Ángel Guardián, social assistance, income tested):** 80 balboas a month is paid.

**Schedule of payments:** The benefit is paid every two months to the head of the family.

**Family cash transfer (Red de Oportunidades, social assistance, means tested):** 50 balboas a month is paid.

**Schedule of payments:** The benefit is paid every two months.

### 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 = 6,184.35 guaraníes.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1943 (social insurance) and 2009 (noncontributory old-age pension).

**Current laws:** 1950 (social insurance), 1992 (unified pension scheme), 2005 (retirement), 2009 (noncontributory old-age pension), 2011 (partial pension), 2011 (teachers), 2011 (minimum 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, part-time and daily workers, household workers, and apprentices.

Voluntary coverage for self-employed persons, housewives; and for persons who previously had mandatory coverage (old-age and survivor benefits only).

Special systems for public-sector employees, teachers in the public school system, police and military personnel, railroad employees, dockworkers, bank employees, and microentrepreneurs.

**Social assistance:** Needy resident citizens of Paraguay. Special system for certain war veterans and their dependents.

#### Source of Funds

##### Insured person

**Social insurance:** 9% of gross monthly covered earnings (excluding benefits paid under Family Allowances); 12.5% of the insured's average monthly earnings in the last 36 months of contributions for the voluntarily insured who previously had mandatory coverage (old-age and survivor benefits only).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage; 60% of the legal monthly minimum wage for apprentices; 1,518,120 guaraníes for daily workers and certain agricultural workers.

The legal monthly minimum wage is 2,192,839 guaraníes.

There are no maximum earnings used to calculate contributions.

The mandatorily insured person's contributions also finance cash sickness and maternity benefits, medical benefits, 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 2,192,839 guaraníes.

The self-employed person's contributions also finance work injury benefits.

**Social assistance:** None.

##### Employer

**Social insurance:** 14% of gross monthly covered payroll (excluding benefits paid under Family Allowances).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage; 60% of the legal monthly minimum wage for apprentices; 1,518,120 guaraníes for daily workers and certain agricultural workers.

The legal monthly minimum wage is 2,192,839 guaraníes.

There are no maximum earnings used to calculate contributions.

The employer's contributions also finance cash sickness and maternity benefits, medical benefits, and work injury benefits.

**Social assistance:** None.

##### Government

**Social insurance:** 1.5% of gross monthly covered earnings; contributes as an employer.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage; 60% of the legal monthly minimum wage for apprentices; 1,518,120 guaraníes for daily workers and certain agricultural workers.

The legal monthly minimum wage is 2,192,839 guaraníes.

There are no maximum earnings used to calculate contributions.

Government contributions also finance cash sickness and maternity benefits, medical benefits, and work injury benefits, and cover administrative costs.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (Jubilación ordinaria, social insurance):** Age 60 with at least 1,250 weeks of contributions.



Partial pension (Jubilación proporcional): Age 65 with at least 750 weeks of contributions.

Early pension (Jubilación anticipada): Age 55 with at least 1,500 weeks of contributions.

The old-age pension is payable abroad under bilateral or multilateral agreement.

**Old-age social pension (Pensión Alimentaria para Adultos Mayores, social assistance, means tested):** Age 65 and not receiving any other pension or salary.

Means test: Must be assessed as needy based on the Quality of Life Index for Older Persons (Indice de Calidad de Vida para Adultos Mayores, ICV-AM).

The ICV-AM is a targeting system used to identify poor and vulnerable older persons based on their income, consumption patterns, and housing conditions.

**Disability pension (Jubilación de invalidez por enfermedad o accidente común, social insurance):** Must be younger than age 65, have at least a 30% assessed loss of earning capacity in the usual occupation due to a nonwork related disability 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 64.

A medical commission of three Social Security Institute doctors assesses the loss of earning capacity. The disability is considered permanent after five years of pension receipt.

The disability pension is payable abroad under bilateral or multilateral agreement.

**Survivor pension (Pensión de sobrevivientes, social insurance):** The deceased received or was entitled to receive an old-age or disability pension; or was insured, younger than age 60, and had at least 750 weeks of contributions 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); orphans younger than age 18 (no limit if disabled). If there is no widow(er), partner, or eligible orphan, the pension is paid to the deceased's dependent parents.

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

Remarriage settlement: Paid to a widow(er) or partner upon remarriage or cohabitation.

The survivor pension is payable abroad under bilateral or multilateral agreement.

**Survivor grant (Subsidio de sobrevivientes, social insurance):** The deceased was insured but had less than 750 weeks of contributions the time of death.

The survivor grant is payable abroad under bilateral or multilateral agreement.

**Funeral grant (Reembolso de gastos funerarios, social insurance):** Paid to the person who pays for the funeral if

there are no eligible survivors who qualify for a survivor pension or a survivor grant.

### Old-Age Benefits

**Old-age pension (Jubilación ordinaria, social insurance):** 100% of the insured's average monthly earnings is paid.

Average monthly earnings 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.

Partial pension (Jubilación proporcional): 60% of the insured's average monthly earnings plus 4% of average monthly earnings for each year of contributions exceeding 15 years, up to 100% of earnings, is paid.

Early pension (Jubilación anticipada): 80% of the insured's average monthly earnings is paid plus 4% of average monthly earnings for each year the insured is older than age 55 at the time the claim is made, up to age 59.

The minimum monthly old-age pension is 33% of the legal monthly minimum wage.

The legal monthly minimum wage is 2,192,839 guaraníes.

The maximum monthly old-age pension is 300 times the legal daily minimum wage.

The legal daily minimum wage is 84,340 guaraníes.

Schedule of payments: The old-age pension is paid monthly plus a December bonus of one month of the pension.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index.

**Old-age social pension (Pensión Alimentaria para Adultos Mayores, social assistance, means tested):** At least 25% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 2,192,839 guaraníes.

### Permanent Disability Benefits

**Disability pension (Jubilación de invalidez por enfermedad o accidente común, social insurance):** 50% of the insured's average monthly earnings in the 36 months before the disability began plus 1.5% of average monthly earnings for every 50 weeks 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 2,192,839 guaraníes.

The maximum monthly disability pension is 300 times the legal daily minimum wage.

The legal daily minimum wage is 84,340 guaraníes.

Schedule of payments: The disability pension is paid monthly plus a December bonus of one month of the pension.



## Paraguay

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Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index.

### Survivor Benefits

**Survivor pension (Pensión de sobrevivientes, 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 eligible orphans.

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 is no widow(er), partner, or eligible orphan, the survivor pension is paid to the deceased's parents.

Schedule of payments: The pension is paid monthly plus a December bonus of one month of pension.

Remarriage settlement: A lump sum of two times the individual annual survivor pension is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index.

**Survivor grant (Subsidio de sobrevivientes, 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 2,192,839 guaraníes.

**Funeral grant (Reembolso de gastos funerarios, social insurance):** A lump sum of up to 75 times the legal daily minimum wage is paid.

The legal daily minimum wage is 84,340 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

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#### Regulatory Framework

**First law:** 1943 (social insurance).

**Current laws:** 1950 (social insurance), 1992 (unified pension scheme), 1996 (medical benefits), and 2015 (household workers and medical care subsidy).

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

#### Coverage

**Social insurance (cash and medical benefits):** Employed persons, including employees of decentralized state entities

and enterprises partially owned by the state, municipal workers, part-time and daily workers, household workers, and apprentices.

Exclusions: Self-employed persons.

Special systems for public-sector employees, teachers in the public school system, police and military personnel, railroad employees, dockworkers, bank employees, pensioners, war veterans, microentrepreneurs, and certain artists.

**Social assistance (medical care subsidy):** 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.

**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 and provide a medical certificate. (Insured women may not receive cash sickness and maternity benefits at the same time.)

**Nursing allowance (social insurance):** Must have at least one month of contributions.

**Medical benefits (Atención médica, social insurance):** The minimum contribution period varies depending on the type of medical procedure or service. There is no minimum qualifying period for maternity medical benefits.

Eligible dependents include a spouse or cohabiting partner, dependent unmarried children up to age 18 (no limit if disabled), and dependent parents aged 60 or older.

**Medical care subsidy (Subsidio de ayuda social, 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 (Subsidio por enfermedad común, 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 (Subsidio por maternidad, social insurance):** 100% of the insured's last earnings is paid for 18 weeks, beginning up to two weeks before the expected date of childbirth (may be extended to 24 weeks if there are complications during childbirth). For multiple births, an extra month of leave is paid for each additional child.

**Nursing allowance (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 (Atención médica, 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.

**Medical care subsidy (Subsidio de ayuda social, social assistance):** A periodic subsidy of up to 10 times the legal daily minimum wage is paid to cover travel costs for the duration of treatment.

The legal daily minimum wage is 84,340 guaraníes.

### **Dependents' Medical Benefits**

**Medical benefits (Atención médica, social insurance):** Benefits for dependents are the same as those for the insured.

**Medical care subsidy (Subsidio de ayuda social, social assistance):** No benefits are provided.

### **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.mspps.gov.py/>) administers the medical care subsidy program, public health care and the National Service for Malaria Eradication programs.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1943 (social insurance).

**Current laws:** 1950 (social insurance), 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, part-time and daily workers, household workers, and apprentices.

Voluntary coverage for self-employed persons and housewives.

Special systems for public-sector employees, teachers in the public school system, police and military personnel, railroad employees, dockworkers, bank employees, micro-entrepreneurs, and certain artists.

#### **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 have a work injury or occupational diseases that results in an incapacity for work lasting at least three days. Accidents that occur while commuting to and from work are covered. Occupational diseases are specified by law.

### **Temporary Disability Benefits**

**Temporary disability benefit (Subsidio por accidente de trabajo):** 75% of the insured's average earnings is paid from the first day of incapacity for up to 52 weeks or certification of permanent incapacity for work, whichever occurs earlier.

Average earnings are the insured's average daily earnings in the four months before the incapacity began. If the employee has been employed for less than four months, average daily earnings are based on the minimum earnings used to calculate contributions.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage; 60% of the legal monthly minimum wage for apprentices; 1,518,120 guaraníes for daily workers and certain agricultural workers.

The legal monthly minimum wage is 2,192,839 guaraníes.

The maximum daily temporary disability benefit is five times the legal daily minimum wage.

### **Permanent Disability Benefits**

**Permanent disability pension (Jubilación de invalidez):** For an assessed degree of disability of at least 30%, 22.5% to 100% of the insured's average monthly earnings in the 36 months before the disability began is paid, depending on 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 (Pensión de sobrevivientes)**

*Spouse's pension:* 30% 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; 60% if there are no eligible orphans.

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 two times the annual permanent disability pension the deceased received or was entitled to receive is paid.

*Orphan's pension:* 30% of the permanent disability pension the deceased received or was entitled to receive is paid to each orphan younger than age 18 (no limit if disabled); 60% if there is no eligible widow(er) or partner.

*Other eligible survivors pension:* If there is no eligible widow(er), partner, or orphan, the pension is paid to the deceased's parents.

The maximum combined survivor pension is 60% of the permanent disability pension the deceased received or was entitled to receive.

Survivor pensions are payable abroad under bilateral or multilateral agreement.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index.

**Funeral grant (Reembolso de gastos funerarios):** See Old Age, Disability, and Survivors.

### **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**

**First law:** 1961 (labor code).

**Current law:** 1993 (labor code).

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

**Coverage**

Employed persons covered by the labor code.

Exclusion: Self-employed persons.

Special systems for civil servants, employees of decentralized state entities and enterprises owned by the state, and teachers.

**Source of Funds**

**Insured person:** None.

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

**Employer:** The total cost.

**Government:** None.

**Qualifying Conditions**

**Family allowance (Asignación familiar, income tested):**

Paid for dependent children aged 3 to 16 (no age limit if assessed with a disability) who reside in Paraguay. There is no minimum qualifying period.

Income test: The employee's monthly earnings, including family allowances, must not exceed two times the legal monthly minimum wage.

The legal monthly minimum wage is 2,192,839 guaraníes.

**Family Allowance Benefits**

**Family allowance (Asignación familiar, income tested):**

5% of the legal monthly minimum wage is paid for each eligible child.

The legal monthly minimum wage is 2,192,839 guaraníes.

**Administrative Organization**

Ministry of Labor, Employment, and Social Security (<http://www.mtess.gov.py/>) provides general supervision.

Employers pay the family allowance directly to employees.

## Peru

Exchange rate: US\$1.00 = 3.289 soles.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1936 (wage earners) and 1962 (salaried employees).

**Current laws:** 1973 (national pension system); 1992 (individual account), implemented in 1993; 2000 (early retirement); 2007 (early retirement for the unemployed); 2009 (early retirement in the private sector); 2011 (noncontributory old-age pension); 2012 (individual account); 2012 (persons with disabilities); and 2015 (persons with severe disabilities).

**Type of program:** Social insurance, mandatory individual account, and social assistance system.

Note: When public- and private-sector employees enter the workforce, they can choose between the mandatory individual account program (SPP) and the public social insurance program (SNP). Insured persons who do not make a choice become SPP members by default. SNP members can later switch to the SPP, but SPP members can only switch to the SNP under certain conditions.

#### Coverage

**Social insurance (SNP):** Private-sector employees and public-sector employees not covered by a special system, including employees of worker-owned and cooperative enterprises, teachers, artists, household workers, seamen, journalists, and tannery workers.

Voluntary coverage for self-employed person 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 resident citizens of Peru.

#### Source of Funds

##### Insured person

**Social insurance (SNP):** 13% of gross monthly covered earnings.

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

The legal monthly minimum wage is 930 soles.

There are no maximum earnings used to calculate contributions.

**Mandatory individual account (SPP):** 10% of gross monthly earnings (8% for fishermen; 11% for construction workers; 2% for miners) (old-age benefits) plus an average of 1.5775% of gross monthly earnings for persons insured before February 2013, or an average of 0.3075% of gross monthly earnings plus 0.82% to 1.25% of the annual account balance for persons insured since February 2013 (administrative fees), and 1.35% of gross monthly covered earnings (disability and survivor insurance). Voluntary contributions are possible.

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 9,639 soles.

**Social assistance:** None.

##### Self-employed person

**Social insurance (SNP):** 13% of gross monthly covered declared earnings.

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

The legal monthly minimum wage is 930 soles.

There are no maximum earnings used to calculate contributions.

**Mandatory individual account (SPP):** 10% of gross monthly earnings (old-age benefits) plus a percentage of gross monthly earnings (administrative fees) and 1.35% of gross monthly 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 9,639 soles.

**Social assistance:** None.

##### Employer

**Social insurance (SNP):** None.

**Mandatory individual account (SPP):** None; 5% of gross payroll for fishermen; 1% for construction workers; 2% for miners.

**Social assistance:** None.

##### Government

**Social insurance (SNP):** Provides 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 (Pensión de Jubilación, SNP, social insurance):** Age 65 with at least 20 years of contributions.

Employment may continue if the insured's total monthly income does not exceed half of the tax reference unit (Unidad Impositiva Tributaria, UIT).

The UIT is 4,200 soles a year.

**Early pension (Jubilación anticipada):** 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).

The social insurance old-age pension is payable abroad under bilateral or multilateral agreement.

**Old-age family pension (Pensión Especial de Jubilación para la Sociedad Conyugal y las Uniones de Hecho, SNP, social insurance):** Paid to a couple whose members are aged 65 or older, have been married or in a recognized partnership for at least 10 years, and have at least 20 years of combined social insurance contributions but do not qualify for the social insurance old-age pension.

The old-age family pension ceases upon divorce, remarriage, or termination of a recognized partnership.

The old-age family pension is payable abroad under bilateral or multilateral agreement.

**Old-age pension (Pensión de Jubilación, SPP, mandatory individual account):** Age 65.

**Early pension (Jubilación anticipada):** Age 55 (men) or age 50 (women) with at least 72 months of contributions in the last 120 months before the claim is made and an account balance that is sufficient to finance a benefit of at least 40% of the insured's average indexed earnings in the last 120 months (Jubilación anticipada ordinaria); age 55 (men) or age 50 (women) with at least 12 continuous months of unemployment (Jubilación anticipada por desempleo); or age 40 to 50 for persons working under hazardous conditions, depending on the occupation, subject to further requirements (Jubilación anticipada por labores de riesgo).

**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 930 soles.

The minimum monthly old-age pension is 500 soles.

The individual account old-age pension is payable abroad under bilateral or multilateral agreement.

**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 based on 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.

The noncontributory old-age pension is not payable abroad.

**Disability pension (Pensión de Invalidez, 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; or have paid contributions in the month before the disability began if it is due to a nonwork-related accident. Must have been paying contributions 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.

**Dependent's supplement:** Paid for a dependent spouse or a child younger than age 18 (no limit if a student or disabled).

**Constant-attendance supplement (Bonificación por cuidado permanente de otra persona):** Paid if the insured requires the constant attendance of others to perform daily functions.

**Disability pension (Pensión de Invalidez, SPP, mandatory individual account):** Must have at least a 50% assessed loss of earning capacity and not be receiving an individual account 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 disability pension the insured is entitled to receive.

**Noncontributory disability pension (Pensión para Personas con Discapacidad Severa y Situación de Pobreza, Programa CONTIGO, social assistance, means tested):** Must be assessed with a severe and permanent disability and not qualify for any other pension.

**Means test:** Must be classified as poor based on 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 a social insurance 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, orphans 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 widow(er)'s pension ceases upon remarriage or if a disabled widower is assessed as capable of working.

Remarriage settlement: Paid to a widow(er) receiving a social insurance spouse's pension upon remarriage.

Constant-attendance supplement: The survivor requires the constant attendance of others to perform daily functions.

The social insurance survivor pension is payable abroad under bilateral or multilateral agreement.

**Survivor pension (Pensión de Sobrevivencia, SPP, mandatory individual account):** The deceased received an individual account 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, orphans 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 survivor pension the survivors are entitled to receive.

**Death grant (Capital de Defunción, SNP, social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension and his or her legal heirs are not entitled to receive a survivor pension.

**Funeral grant (Gastos de Sepelio, SPP, mandatory individual account):** The deceased received or was entitled to receive an individual account old-age or disability pension.

### **Old-Age Benefits**

**Old-age pension (Pensión de Jubilación, SNP, social insurance):** 30% to 45% of the insured's average monthly earnings in the last 60 months, depending on 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 year of contributions exceeding 20 years is paid to persons born after December 31, 1946.

50% of the insured's reference salary plus 4% of the reference salary for each 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 of contributions, average monthly earnings in the last four years; with more than 30 years of contributions, 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 year of contributions exceeding 15 years (men) or 13 years (women) 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, whichever is greater.

Early pension (Jubilación anticipada): The pension is reduced by 4% for each year it is claimed before the normal retirement age.

Dependent's supplement: 2% to 10% of the insured's reference salary is paid for an eligible spouse and 2% to 5% is paid for each eligible child.

The minimum monthly old-age pension is 500 soles.

The maximum monthly old-age pension is 893 soles or 100% of the insured's average monthly earnings in the last 60 months, whichever is less.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

**Old-age family pension (Pensión Especial de Jubilación para la Sociedad Conyugal y las Uniones de Hecho, SNP, social insurance):** Calculated in the same way as the old-age pension, based on a common reference salary for the couple.

The full amount of the joint monthly old-age family pension continues to be paid to a surviving beneficiary upon the death of his or her partner.

**Old-age pension (Pensión de Jubilación, SPP, mandatory individual account):** The insured has five different payment options: make programmed withdrawals, purchase a personal annuity, purchase a joint and survivor annuity, purchase a deferred annuity combined with temporary programmed withdrawals, or make a lump-sum withdrawal of 95.5% of the total account balance.

Early pension (Jubilación anticipada): The payment options are the same as those for the old-age pension paid at the normal retirement age.

Guaranteed minimum pension: The difference between the monthly pension financed by the account balance and the minimum monthly old-age pension is paid.

The minimum monthly old-age pension is 500 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 (Pensión de Invalidez, 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 500 soles.

The maximum monthly disability pension is 893 soles.

Dependent's supplement: 2% to 10% of the insured's reference salary is paid for an eligible spouse and 2% to 5% for each eligible child. The amount is reduced if earnings plus pension income exceed the insured's former average earnings.

Constant-attendance supplement (Bonificación por cuidado permanente de otra persona): The legal monthly minimum wage is paid.

The legal monthly minimum wage is 930 soles.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

**Disability pension (Pensión de Invalidez, 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 financed by the account balance and the disability pension the insured is entitled to receive.

**Noncontributory disability pension (Pensión para Personas con Discapacidad Severa y Situación de Pobreza, Programa CONTIGO, social assistance):** 150 soles a month is paid.

Schedule of payments: The pension is paid every two months.

### Survivor Benefits

#### Survivor pension (SNP, social insurance)

*Spouse's pension (Pensión de viudez):* 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).

Remarriage settlement: A lump sum of 12 times the spouse's pension is paid to the widow(er).

*Orphan's pension (Pensión de orfandad):* 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for eligible orphans.

*Dependent parent's pension (Pensión de ascendiente):* If there is no eligible widow(er) or orphan, 20% of the social insurance old-age or 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 social insurance old-age or disability pension the deceased received or was entitled to receive or 893 soles a month, whichever is less.

Constant-attendance supplement: The legal monthly minimum wage is paid.

The legal monthly minimum wage is 930 soles.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

**Survivor pension (Pensión de Sobrevivencia, 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 financed by the deceased's account balance and the survivor pension the survivors are 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 893 soles.

**Funeral grant (Gastos de Sepelio, SPP, mandatory individual account):** A lump sum of up to 4,370.97 soles is paid.

Benefit adjustment: Benefits are adjusted quarterly based on changes in the consumer price index.

### Administrative Organization

Comptroller General of the Republic (<http://www.contraloria.gob.pe/>) provides general supervision for the social insurance program.

Superintendent of Banks, Insurance, and AFPs (<http://www.sbs.gob.pe/>) is responsible for licensing and supervising pension fund administrators (AFPs) and insurance companies.

Ministry of Development and Social Inclusion (<http://www.midis.gob.pe/>) provides general supervision for the social assistance program.

Office of Social Security Normalization (<https://www.onp.gob.pe/>) administers the social insurance program and some special programs.

AFPs administer the individual accounts and contract with insurance companies for disability and survivor insurance.

National Solidarity Assistance Program—Pensión 65 program office (<http://www.pension65.gob.pe/>) administers the Pensión 65 program.

## Peru

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Ministry of Development and Social Inclusion ([www.midis.gob.pe/](http://www.midis.gob.pe/)) administers the noncontributory disability pension.

National Superintendent of Tax Administration (<http://www.sunat.gob.pe/>) collects contributions.

### Sickness and Maternity

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#### Regulatory Framework

**First laws:** 1936 (wage earners), 1948 (salaried employees), and 1979 (maternity and medical benefits).

**Current laws:** 1996 (maternity leave), 1997 (healthcare modernization); 1999 (health insurance EsSalud); 1999 (self-employed fishermen and fish processors); 2000 (agricultural workers), implemented in 2002; 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); 2011 (maternity benefits).

**Type of program:** Social insurance (cash and medical benefits), mandatory private insurance (medical benefits), and social assistance (medical benefits and funeral grant) system.

Note: Insured persons and their dependents can choose 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 public health insurance program (EsSalud) for more serious conditions and specialized care.

#### Coverage

**Social insurance and mandatory private insurance:** 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.

Special systems for military and police personnel.

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

#### 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 (see Old Age, Disability, and Survivors) pay a one-time contribution of 4.5% of their total account balance for medical benefits.

**Self-employed person:** A premium of 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 sales value for self-employed fishermen and fish processors; 4% of the legal monthly minimum wage for agricultural workers.

The minimum monthly earnings used to calculate contributions for self-employed fishermen and fish processors are the legal monthly minimum wage.

The legal monthly minimum wage is 930 soles.

**Employer:** 9% of monthly covered 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 930 soles.

There are no maximum earnings used to calculate contributions.

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

#### Qualifying Conditions

**Sickness, medical, and funeral benefits (social insurance):** 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 (social insurance):** 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 before becoming pregnant and must have contributed during the month in which the child is born.

**Funeral grant and medical benefits (Seguro Integrado de Salud [SIS] Gratuito, social assistance, means tested):** Must not be covered by health insurance.



Means test: Must be classified as poor or extremely poor based on the Sistema de Focalización de Hogares (SIS-FOH), except in case of pregnant women or children younger than age 5.

### **Sickness and Maternity Benefits**

**Sickness benefit (Subsidio por Incapacidad Temporal, social insurance):** 100% of the insured's average daily earnings in the last four months is paid after a one-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 (Subsidio por Maternidad, social insurance):** 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 (Subsidio por Lactancia, social insurance):** A lump sum of 820 soles is paid for each eligible child.

**Funeral grant (Gastos de Sepelio, social insurance):** A lump sum of up to 2,070 soles is paid to the person who paid for the funeral; up to 1,000 soles if the deceased was covered for medical benefits through voluntary insurance.

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.

**Funeral grant (Gastos de Sepelio, social assistance, means tested):** A lump sum of up to 1,000 soles is paid for 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**

**Medical benefits (social insurance and mandatory private insurance):** 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 voluntarily insured covers ambulatory care and hospitalization, emergency care, maternity care, and medicines and medical supplies.

**Medical benefits (Seguro Integrado de Salud [SIS] Gratuito, social assistance, means tested):** Benefits include general and maternity care, medical examinations, surgery, hospitalization, and medicine.

### **Dependents' Medical Benefits**

**Medical benefits (social insurance and mandatory private insurance):** 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).

**Medical benefits (Seguro Integrado de Salud [SIS] Gratuito, social assistance, means tested):** Benefits for dependents are the same as those for the primary beneficiary.

### **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**

#### **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**

Persons working in high-risk activities who are public- and private-sector employees, self-employed persons, or employees of worker-owned and cooperative enterprises.

Voluntary coverage for persons without mandatory coverage.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** A flat-rate monthly contribution of 13 to 38 soles, depending on the sector and associated risk.

**Employer:** 0.63% to 1.83% of monthly covered payroll, depending on the sector and associated risk.



## Peru

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

The legal monthly minimum wage is 930 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 or from work are not covered.

### Temporary Disability Benefits

See the sickness benefit paid under Sickness and Maternity.

### Permanent Disability Benefits

**Permanent disability pension (Pensión por Invalidez Permanente):** For an assessed degree of disability of at least 66.67%, at least 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.

The minimum monthly constant-attendance benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 930 soles.

Partial disability: For an assessed degree of disability of 50% to 66.66%, a reduced permanent disability pension is paid based on the assessed degree of disability. For an assessed degree of disability of at least 20% but less than 50%, 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 (Pensión de Sobrevivencia)

*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 (any age if disabled); 35% if there are eligible orphans.

The spouse's pension ceases if the widow(er) remarries or if a disabled widower is assessed as capable of working.

*Orphan's pension:* 14% of the permanent disability pension the deceased received or was entitled to receive is paid for each orphan younger than age 18 (age 21 if a student; no limit if disabled); an additional 42% of the permanent disability pension is split equally among full orphans.

The legal monthly minimum orphan's pension is 500 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 893 soles a month, whichever is less.

**Funeral grant (Gastos de Sepelio):** A lump sum of up to 2,070 soles is paid to the person who paid for the funeral.

### 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

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### Regulatory Framework

**First and current law:** 1991 (severance account).

**Type of program:** Mandatory individual account system.

### Coverage

Private-sector employees and certain public-sector employees.

Special systems for civil construction workers, fishermen, artists, household workers, farm workers, and employees of microenterprises and small businesses.

### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** 8.33% of monthly payroll is paid every six months.

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

### Qualifying Conditions

Must have at least one month of continuous employment with the same employer with at least four working hours a day or 20 working hours a week.

### Unemployment Benefits

The total account balance, minus any previous withdrawals, is paid. (The employee may withdraw funds from the account balance exceeding four times his or her monthly earnings at any time.)

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### **Administrative Organization**

Superintendent of Banks and Insurance (<http://www.sbs.gob.pe/>) regulates and supervises financial entities.

Financial entities manage the mandatory individual severance accounts.

### **Family Allowances**

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#### **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).

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 930 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, and 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 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, based on 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 disability, sickness, maternity, or work injury benefits.

The old-age pension is payable abroad under certain conditions.

**Old-age grant (social insurance):** Age 62 with less than 500 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received disability, sickness, maternity, or work injury benefits.

The old-age grant is payable abroad under certain conditions.

**Old-age social pension (social assistance, means tested):** Age 62, not in gainful employment, and does not meet the contribution requirements for the old-age pension or old-age grant.

The old-age social pension is 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 based on the advice of a medical practitioner.

The disability pension is 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 less than 150 weeks of paid contributions, and have no secure source of income or other support.

The Social Security Medical Board assesses the degree of disability at least every three years or at any period based on the advice of a medical practitioner.

The disability social pension is not payable abroad.

**Survivor pension (social insurance):** The deceased had at least 150 weeks of paid contributions or 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), orphans 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.

The survivor pension is payable abroad under certain conditions.

**Survivor grant (social insurance):** The deceased 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 disability, sickness, maternity, or work injury benefits.

Eligible survivors include a widow(er) aged 45 or older who was married to or cohabited with the deceased for at least three years, and orphans younger than age 16 (age 18 if a full-time student, no limit if disabled).

The survivor grant is payable abroad under certain conditions.

**Funeral grant (social insurance):** The deceased had at least 26 weeks of paid contributions at the time of death.

The funeral grant is payable abroad.

### Old-Age Benefits

**Old-age pension (social insurance):** The weekly pension is 30% of the insured's average annual earnings plus 2% for every 50 weeks of paid or credited contributions exceeding 500, up to 799, and 1% for every 50 weeks of contributions exceeding 799; the sum is divided by 52.

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.

Schedule of payments: The old-age pension is paid monthly.

**Old-age grant (social insurance):** If the insured has at least 50 weeks of contributions, a lump sum of six times the insured's average weekly earnings for every 50 weeks of paid or credited contributions is paid; with less than 50 weeks of contributions, a lump sum of the insured's contributions is paid.

Average weekly earnings are based on the insured's best three years of earnings in the last 15 years 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 every 50 weeks of paid or credited contributions exceeding 500, up to 799, and 1% for every 50 weeks 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 disability pension is paid after the 26 weeks of cash sickness benefits 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 for one year; for life if the widow(er) is aged 45 or older and was married or cohabited with the deceased for at least 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 eligible orphan; 33.3% to an orphan with a disability.

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)

**Spouse's grant:** If the deceased had at least 50 weeks of contributions, 50% 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:** If the deceased had at least 50 weeks of contributions, 16.7% of the old-age grant the deceased received or was entitled to receive is paid to each eligible orphan; 33.3% to an orphan with a disability.

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

If the deceased had less than 50 weeks of contributions, a lump sum of the deceased's contributions is paid.

**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

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

### Qualifying Conditions

**Cash sickness benefit:** Must be younger than the normal retirement age, be employed the day before the incapacity began, and have at least 26 weeks of paid contributions, including at least eight weeks in the 13 weeks before the incapacity began.

**Cash maternity benefit:** Must have at least 39 weeks of paid contributions, including at least 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 at least 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 for all contributory weeks in the last 13 weeks 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 at least four days.

**Maternity benefit:** The daily benefit is 65% of the insured's average weekly covered earnings in the last 39 weeks 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

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 of incapacity if the disability lasts for at least four days. The benefit is paid for up to 26 weeks.

There is no minimum temporary disability benefit.

The maximum daily temporary disability benefit is EC\$187.50.

### Permanent Disability Benefits

For a total (100%) disability, 75% of the insured's average weekly covered earnings is paid.

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 permanent disability pension is paid based on the assessed degree of disability. For an assessed degree of disability of less than 20%, a lump sum is paid.

The Social Security Medical Board assesses and periodically reviews the degree of disability.

## 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 the permanent total disability pension the deceased received or was entitled to receive is paid to each orphan younger than age 16 (age 18 if a full-time student, no limit if disabled).

*Dependent parent's pension:* Up to 16.7% of the permanent total disability pension the deceased received or was entitled to receive 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

### Regulatory Framework

The 1986 Protection of Employment Act requires employers to contribute 1% of the employee's monthly wage to the Severance Payment Fund to finance a mandatory severance pay program for employees with at least one year of continuous service and to certain seasonal workers. Severance pay is provided 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 pay is also

provided in cases of death due to work-related causes or upon retirement after age 62. The payment amount varies depending on the years of continuous service: two weeks of the employee's 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 of pay.

### **Family Allowances**

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#### **Regulatory Framework**

**First and current laws:** 1998 (social assistance).

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

#### **Coverage**

Needy residents of Saint Kitts and Nevis.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

#### **Qualifying Conditions**

**Food voucher assistance (means tested):** Paid to assist needy households with the cost of food.

**School uniform assistance (means tested):** Paid to assist needy household with the cost of school uniforms for children enrolled in public education institutions from the primary to the tertiary level.

**Medical assistance (means tested):** Paid to cover the cost of medical procedures provided locally, regionally, or internationally.

Note: Additional social assistance benefits may be provided on a discretionary basis.

#### **Family Allowance Benefits**

**Food voucher assistance (means tested):** EC\$200 to EC\$400 a month is paid, depending on household size. The duration of benefits is determined on an ad hoc basis and depends on a household's circumstances.

**School uniform assistance (means tested):** The cost of a school uniform is paid for each eligible child.

**Medical assistance (means tested):** The costs of medical procedures, up to a lifetime total of US\$5,000, may be paid.

#### **Administrative Organization**

The Ministry of Community Development, Gender Affairs and Social Services provides general supervision.

The Department of Social Services and Community administers the program.

## 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 and self-employed persons, and apprentices.

Voluntary coverage (old-age benefits only) for nonemployed persons.

Special system for civil servants employed before February 1, 2003.

#### Source of Funds

**Insured person:** 5% of monthly covered earnings; 10% of reference earnings, based on 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 cash sickness and maternity benefits, medical benefits, and work injury benefits.

**Self-employed person:** 10% of reference earnings, based on 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 cash sickness and maternity benefits, and medical 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 cash sickness and maternity benefits, medical benefits, 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.

The old-age pension is payable abroad under bilateral and multilateral agreements.

**Old-age grant:** Age 65 with less than 180 months of contributions.

The old-age grant is payable abroad under bilateral and multilateral agreements.

**Disability pension:** Must be younger than the normal retirement age; be assessed with at least a 30% permanent loss of work capacity that is not the result of a work injury; have at least 60 months of contributions, including at least 36 consecutive months before the disability began, or at least 180 months of contributions; and not receive a cash sickness benefit.

A registered medical doctor assesses the loss of work capacity at least every two years.

The disability pension is payable abroad under bilateral and multilateral agreements.

**Disability grant:** Must be younger than the normal retirement age; 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 loss of work capacity.

The disability grant is payable abroad under bilateral and multilateral agreements.

**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 orphans 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.

The survivor pension is payable abroad under bilateral and multilateral agreements.

**Survivor grant:** The deceased did not meet the contribution requirements for an old-age or disability pension at the time of death.

The survivor grant is payable abroad under bilateral and multilateral agreements.

**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.

The funeral grant is payable abroad under bilateral and multilateral agreements.

### Old-Age Benefits

**Old-age pension:** 40% of the insured's average earnings plus 0.1% of average earnings for each month of contributions exceeding 180 months is paid.

Average earnings are based on the insured's covered earnings in the best five years, up to an annual maximum of 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 earnings.

**Early pension:** The pension is reduced by 0.5% for each month it is claimed before the normal retirement age.

**Benefit adjustment:** Benefits are adjusted on an ad hoc basis based on changes to the consumer price index.

**Old-age grant:** 0.67% of the insured's average annual earnings is paid for each month of contributions after March 1979. 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.

Average annual earnings are based on the insured's covered earnings in the best five years, up to an annual maximum of EC\$60,000.

Note: Effective April 1979, Saint Lucia replaced their provident fund program with a social insurance program.

### Permanent Disability Benefits

**Disability pension:** With at least 60 months but less than 180 months of contributions, 35% of the insured's average earnings is paid. With at least 180 months of contributions, 40% of the insured's average earnings plus 0.1% of average earnings for each month of contributions exceeding 180 months is paid.

Average earnings are based on the insured's covered earnings in the best five years, up to an annual 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 earnings.

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

**Benefit adjustment:** Benefits are adjusted on an ad hoc basis based on changes to the consumer price index.

**Disability grant:** 0.67% of the insured's average annual earnings is paid for each month of contributions after March 1979. 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.

Average annual earnings are based on the insured's covered earnings in the best five years, up to an annual maximum of EC\$60,000.

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 orphan 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 orphan; 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.

**Benefit adjustment:** Benefits are adjusted on an ad hoc basis based on changes to the consumer price index.

**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, or EC\$200 to EC\$2,150 for a dependent child, depending on the child's age.



## Administrative Organization

Ministry of Finance, Economic Growth, Job Creation, External Affairs and the Public Service (<http://finance.govt.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

### 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 and self-employed persons, and apprentices.

Special system for civil servants employed before 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:** None; contributes as an employer.

### 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 expected month of childbirth 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 is paid for up to three months.

Average earnings are based on the insured's covered earnings in the best seven of the 10 months immediately preceding 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 and Wellness 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

Ministry of Finance, Economic Growth, Job Creation, External Affairs and the Public Service (<http://finance.govt.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.

Ministry of Health and Wellness (<http://health.govt.lc/>) delivers medical benefits.

## 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 before 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:** None; contributes as an employer.

### Qualifying Conditions

Must be assessed with a work injury or occupational disease. There are no minimum contribution requirements.

### 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 an assessed degree of disability of at least 30% and with at least 60 months but less than 180 months of contributions, 35% of the insured's average earnings is paid; with at least 180 months of contributions, 40% of the insured's average earnings plus 0.1% of average earnings for each month of contributions exceeding 180 months is paid.

Average earnings are based on the insured's covered earnings in the best five years, up to an annual maximum of EC\$60,000.

The minimum permanent disability pension for an assessed degree of 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.

**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 under bilateral and multilateral agreements.

**Benefit adjustment:** Benefits are adjusted on an ad hoc basis based on changes to the consumer price index.

### 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 orphan 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 orphan 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.

Survivor pensions are payable abroad under bilateral and multilateral agreements.

**Benefit adjustment:** Benefits are adjusted on an ad hoc basis based on changes to the consumer price index.

**Funeral grant:** The cost of the funeral is paid, up to EC\$2,500.

The funeral grant is not payable abroad.

### Administrative Organization

Ministry of Finance, Economic Growth, Job Creation, External Affairs and the Public Service (<http://finance.govt.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.

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## ***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 payment amount is one week of basic pay for each completed year of continuous employment up to three years, plus two weeks of basic pay for each completed year of continuous employment from four to seven years, plus 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: Needy elderly persons, persons with disabilities, and orphans may be eligible for social assistance cash benefits under Family Allowances.

#### 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 weekly or monthly covered earnings; 4.29% of weekly or monthly covered earnings for certain public-sector employees; 8.84% of declared income for the voluntarily insured based on five income categories.

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 cash sickness and maternity benefits.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 9.5% of weekly or monthly reference income based on 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 cash sickness and maternity benefits.

**Social assistance:** None.

##### Employer

**Social insurance:** 5.5% of weekly or monthly covered payroll for private-sector employees; 5.25% or 5.50% for public-sector employees, depending on the category of work; 0.5% for employees younger than age 16 or older than the normal retirement age (work injury only).

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 cash 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 62 (gradually rising by one year every three years until reaching age 65 by 2028) with at least 600 weeks (gradually rising by 50 weeks every three years until reaching 750 weeks by 2028) of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or work injury benefits.

**Partial pension:** Must have reached the normal retirement age with at least 500 weeks but less than 600 weeks (gradually rising by 50 weeks every three years until reaching 750 weeks by 2028) of paid or credited contributions. The partial pension will be eliminated in 2028.

**Early pension:** Age 60 with at least 600 weeks (gradually rising by 50 weeks every three years until reaching 750 weeks by 2028) of paid or credited contributions.

The old-age pension is payable abroad (extra fees may apply).

**Old-age grant (social insurance):** Age 62 (gradually rising by one year every three years until reaching age 65 by 2028) with at least 50 weeks but less than 600 weeks (gradually rising by 50 weeks every three years until reaching 750 weeks by 2028) of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or work injury benefits.

The old-age grant is payable abroad (extra fees may apply).

**Noncontributory assistance age pension (social assistance, income tested):** Must have been aged 57 or older on January 5, 1987, have been continuously employed before that date for a significant period (no specific period has been defined), and not currently be in paid employment. Must have been a resident of Saint Vincent and the Grenadines 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, have been continuously employed before that date for a significant period (no specific period has been defined) in informal or seasonal work, and not currently be in paid employment. Must have been a resident of Saint Vincent and the Grenadines 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.

The disability pension is payable abroad (extra fees may apply).

**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.

The disability grant is payable abroad (extra fees may apply).

**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) who was married to or lived with the deceased for at least three years, dependent orphans younger than age 18 (age 21 if a student, no age limit if disabled), and dependent parents aged 60 or older.

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

The survivor pension is payable abroad (extra fees may apply).

**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 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 orphans younger than age 18 (age 21 if a full-time student, no age limit if disabled), and dependent parents aged 60 or older.

The survivor grant is payable abroad (extra fees may apply).

**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 child younger than age 18 (age 21 if a full-time student, no age limit if disabled) dies.

**Funeral grant (social assistance):** Paid when a noncontributory old-age pensioner, the pensioner's spouse, or the pensioner's dependent child younger than age 18 (age 21 if a full-time student, no age limit if disabled) dies.

### Old-Age Benefits

**Old-age pension (social insurance):** 30% of the insured's average annual earnings plus 0.5% of average annual earnings for every 25 weeks of contributions exceeding 600 weeks (gradually rising by 50 weeks every three years until reaching 750 weeks by 2028) is paid.

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 old-age pension is EC\$70.

The maximum annual old-age pension is 60% of the insured's average annual earnings.

**Partial pension:** The pension is proportionally reduced for each week of contributions less than the weeks required for a full pension.

**Early pension:** The pension is reduced by 6% for each year (0.5% for each month) it is claimed before the normal retirement age.

**Schedule of payments:** The National Insurance Board determines the schedule of payment. (The pension is currently paid monthly.)

**Benefit adjustment:** Benefits may be adjusted based on 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 every 50 weeks of contributions.

Average weekly earnings are based on the insured's covered earnings in the last 50 weeks before 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 plus 0.5% of average annual earnings for every 25 weeks of paid or credited contributions exceeding 600 weeks (gradually rising by 50 weeks every three years until reaching 750 weeks by 2028) is paid.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or work injury benefits.

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 disability pension is EC\$70.

The maximum annual disability pension is 60% of the insured's average annual earnings.

Schedule of payments: The National Insurance Board determines the schedule of payment. (The pension is currently paid monthly.)

Benefit adjustment: Benefits may be adjusted based on 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 every 50 weeks of contributions.

Average weekly earnings are based on the insured's covered earnings in the last 50 weeks before the disability began.

## **Survivor Benefits**

### **Survivor pension (social insurance)**

*Spouse's pension:* 75% of the social insurance 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 spouse's 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 minimum weekly spouse's pension is EC\$52.50.

There is no maximum spouse's pension.

*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 orphan; 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 eligible survivors, 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each eligible dependent parent.

The minimum weekly dependent parent's pension is EC\$35.00.

There is no maximum dependent parent's pension.

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: The National Insurance Board determines the schedule of payment. (The pension is currently paid monthly.)

Benefit adjustment: Benefits may be adjusted based on inflation every three years, subject to recommendations from an actuarial review.

**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 eligible 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.

Benefit adjustment: Benefits may be adjusted based on inflation every three years, subject to recommendations from an actuarial review.

**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 based on inflation every three years, subject to recommendations from an actuarial review.

## **Administrative Organization**

National Insurance Services (<https://www.nissvg.org/>) collects contributions and administers the programs.

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## **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.

Voluntary coverage is not available.

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):* None; contributes as an employer.

## Qualifying Conditions

**Cash sickness benefit (social insurance):** Must be younger than the normal retirement age; 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.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or work injury benefits.

**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.

Contributions are credited for each complete contributory week the insured received sickness, maternity, or work injury benefits.

**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.

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

## 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

**Medical benefits (universal):** 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 (universal):** Benefits for dependents are the same as those for workers.

## Administrative Organization

National Insurance Services (<https://www.nissvg.org/>) collects contributions and administers the cash benefits.

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

## Work Injury

### Regulatory Framework

**First law:** 1939.

**Current law:** 1997 (work injury).

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

### Coverage

Employed persons.

Voluntary coverage is not available.

Exclusions: Self-employed persons.

### 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 currently employed and assessed with a work injury or occupational disease. There is no minimum qualifying period.

### 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 of employment before the disability began (or the total number of weeks of employment before the disability began if less than 13 weeks).

### Permanent Disability Benefits

**Permanent disability pension:** For an assessed degree of disability 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.

Average weekly earnings are based on the insured's weekly covered earnings in the last 13 weeks of employment before the disability began (or the total number of weeks of employment before the disability began if less than 13 weeks).

The minimum weekly permanent disability pension is EC\$70.00.

Constant-attendance allowance: 50% of the permanent 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:** For an assessed degree of disability of 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 last 13 weeks of employment

before the disability began (or the total number of weeks of employment before the disability began if less than 13 weeks).

### 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.

Eligible survivors include a dependent widow(er) of any age who was married to or lived with the deceased or a cohabiting partner named by the deceased.

The spouse's pension ceases upon (re)marriage or cohabitation.

Remarriage settlement: A lump sum of 52 weeks of the spouse's pension is paid to a widow(er) or registered partner upon remarriage or cohabitation.

**Orphan's pension:** 16.6% of the permanent disability pension the deceased received or was entitled to receive is paid to each dependent orphan younger than age 18 (age 21 if a full-time student, no limit if disabled); 33.33% if a full orphan or disabled.

**Other eligible survivors' pension:** If there is no eligible widow(er), partner, or orphan, up to 50% of the permanent disability pension the deceased received or was entitled to receive is paid to each eligible dependent.

Eligible survivors include other persons who were partially or totally dependent on the deceased, as determined by the National Insurance Board.

**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 Services (<https://www.nissvg.org/>) collects contributions and administers the program.

### Unemployment

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#### 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, illnesses that last for at least six months and are likely to be permanent, unfair dismissals, and constructive dismissals (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 payment amount is two weeks of the employee's pay for each year of continuous service from two to 10 years, plus three weeks of pay for each year of service from 11 to 25 years, plus four weeks of pay for each year of service exceeding 25 years.

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.

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## ***Family Allowances***

### ***Regulatory Framework***

No known statutory benefits are provided.

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.

## Suriname

Exchange rate: US\$1.00 =  
7.52 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.

**Social insurance:** Employed and self-employed persons. Special system for civil servants.

#### Source of Funds

##### Insured person

**Universal:** None.

**Social insurance:** 2.5% (gradually rising by 0.25% a year until reaching 14% by 2065) of monthly covered earnings if younger than age 60; none if aged 60 or older.

The minimum monthly earnings used to calculate contributions are 500 Surinamese dollars.

The maximum monthly earnings used to calculate contributions are 5,000 Surinamese dollars.

##### Self-employed person

**Universal:** 4% of monthly taxable income if younger than age 60; none if aged 60 or older.

**Social insurance:** 5% (gradually rising by 0.5% a year until reaching 28% by 2065) of monthly covered income if younger than age 60; none if aged 60 or older.

The minimum monthly earnings used to calculate contributions are 500 Surinamese dollars.

The maximum monthly earnings used to calculate contributions are 5,000 Surinamese dollars.

##### Employer

**Universal:** 4% of monthly earnings for employees younger than age 60; none for employees aged 60 or older.

**Social insurance:** 2.5% (gradually rising by 0.25% a year until reaching 14% by 2065) of monthly covered earnings for employees younger than age 60; none for employees aged 60 or older.

The minimum monthly earnings used to calculate contributions are 500 Surinamese dollars.

The maximum monthly earnings used to calculate contributions are 5,000 Surinamese dollars.

#### Government

**Universal:** Covers any deficit.

**Social insurance:** None.

#### Qualifying Conditions

**Flat-rate old-age pension (Algemene Oudedagsvoorziening [AOV], universal):** Age 60. Foreign nationals must have at least 10 years of contributions or 10 consecutive years of residence in Suriname.

**Earnings-related old-age pension (Algemeen Pensioen, social insurance):** Age 60 with at least five years of contributions.

**Earnings-related disability pension (Invaliditeitspensioen, social insurance):** Must be assessed with a permanent disability and have at least five years of contributions.

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 at least five years of contributions.

Eligible survivors include a widow(er) or partner who was married to or lived with the deceased for at least five years before the normal retirement age, a divorced widow(er) or partner who was married to or lived with the deceased for at least five years, and unmarried orphans (including adopted children) younger than age 21.

**Death grant (Uitkering bij overlijden, social insurance):** Paid to a widow(er) or family member upon the death of an earnings-related old-age pensioner. If there is no eligible family members, paid to the person who paid for the funeral. The request must be received within 90 days of the death.

#### Old-Age Benefits

**Flat-rate old-age pension (Algemene Oudedagsvoorziening [AOV], universal):** 525 Surinamese dollars a month is paid.

**Earnings-related old-age pension (Algemeen Pensioen, 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 300 Surinamese dollars.



The maximum monthly earnings-related old-age pension is 5,000 Surinamese dollars.

Benefit adjustment: Benefits are adjusted at least every three years based on changes in the national average wage.

### Permanent Disability Benefits

**Earnings-related disability pension (Invaliditeitspensioen, 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. Contributions are credited for each year the insured is younger than the normal retirement age when the disability began.

The minimum monthly earnings-related disability pension is 300 Surinamese dollars.

The maximum monthly earnings-related disability pension is 5,000 Surinamese dollars.

Benefit adjustment: Benefits are adjusted at least every three years based on changes in the national average wage.

### Survivor Benefits

#### Earnings-related survivor pension (social insurance)

**Spouse's pension (Partnerpensioen):** 70% of the earnings-related old-age or disability pension the deceased received or was entitled to receive is paid to the widow(er) or surviving partner for life (up to 10 years if the deceased died before retirement).

The minimum monthly spouse's pension is 300 Surinamese dollars.

**Orphan's pension (Wezenpensioen):** 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 orphan's pension is 300 Surinamese dollars.

Benefit adjustment: Benefits are adjusted at least every three years based on changes in the national average wage.

#### Death grant (Uitkering bij overlijden, social insurance):

A lump sum of two months of the earnings-related old-age pension the deceased received.

### Administrative Organization

Ministry of Internal Affairs (Ministerie van Binnenlandse Zaken; <http://homeaffairs.gov.sr/>) provides general supervision of the earnings-related pension.

General Pension Fund (Algemeen Pensioenfonds; <http://pensioen.sr/>) collects contributions and administers the earnings-related pensions.

Ministry of Social Affairs and Housing (Ministerie van Sociale Zaken en Volkshuisvesting; <http://socialaffairs.gov.sr/>) provides general supervision of the flat-rate old-age pension.

Flat-rate Old-age Pension Fund (Algemene Oudedagsvoorziening (AOV)-Fonds; <https://aovfonds.com/>) administers the flat-rate old-age pension.

Ministry of Finance (<http://finance.gov.sr/>) 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), 2005 (health care fees), 2014 (national health insurance), and 2019 (maternity leave).

**Type of program:** Mandatory health insurance through private carriers (medical benefits) and employer-liability (cash sickness benefit) system.

Note: A 2019 law introducing social insurance maternity and paternity benefits is in the process of being implemented. The benefits will be administered by the Parental Leave Provision Fund (Fonds Voorzieningen Ouderschapsverlof) under the supervision of the Ministry of Labor.

#### Coverage

**Employer liability (cash sickness benefit):** Employed persons.

Exclusions: Self-employed persons.

**Mandatory health insurance (medical benefits):** Residents of Suriname, including foreign nationals.

#### Source of Funds

##### Insured person

*Employer liability:* None.

**Mandatory health insurance:** 50% (100% for covered family members) of up to 75 Surinamese dollars if aged 17 to 20 or up to 165 Surinamese dollars if aged 21 to 59. The government pays the total cost of premiums for residents up to age 16 and for residents aged 60 or older. Part or all of the cost may be waived for low-income or unemployed persons.

##### Self-employed person

*Employer liability:* Not applicable.

**Mandatory health insurance:** Up to 75 Surinamese dollars a month if aged 17 to 20, 165 Surinamese dollars a month if aged 21 to 59. The government pays the total cost of premiums for residents up to age 16 and for residents aged 60 or older. Part or all of the cost may be waived for low-income or unemployed persons.

### Employer

*Employer liability:* The total cost.

*Mandatory health insurance:* 50% of up to 75 Surinamese dollars a month for employees aged 17 to 20 and up to 165 Surinamese dollars a month for employees aged 21 to 59. The government pays the total cost of premiums for residents up to age 16 and for residents aged 60 or older.

### Government

*Employer liability:* None.

*Mandatory health insurance:* Pays up to 55 Surinamese dollars a month for residents up to age 16; 240 Surinamese dollars a month 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.

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

### Sickness and Maternity Benefits

**Sickness benefit (employer liability):** A benefit is paid.

### Workers' Medical Benefits

**Medical benefits (mandatory health insurance):** Benefits include general, specialist, and preventive care; maternity care; diagnostic services; surgery; hospitalization; and medicine, up to a maximum.

### Dependents' Medical Benefits

**Medical benefits (mandatory health insurance):** Benefits for dependents are the same as those for the insured if they are also eligible residents.

### Administrative Organization

State Health Fund (Staatsziekenfonds (SZF); <https://www.szf.sr/>) 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, including volunteers and apprentices.

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 employee's daily wage is paid.

Partial disability: 3% to 100% of the daily benefit for a total disability is paid based on the assessed loss of earning capacity and the type of disability.

### Permanent Disability Benefits

For a total disability, 80% of the employee's daily wage is paid.

Partial disability: 3% to 100% of the daily benefit for a total disability is paid based on the assessed loss of earning capacity and the type of disability.

### Workers' Medical Benefits

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 unmarried dependent orphan up to age 16; 12.5% for a full orphan.

*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 4000 Surinamese dollars is paid.

The maximum funeral grant is 400 Surinamese dollars.

### **Administrative Organization**

Ministry of Labor (<http://atm.gov.sr/>) provides general supervision.

Employers may insure against liability with national banks or approved private insurance companies.

### **Unemployment**

#### **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 with up to four years of service; one week of wages for each year of service with five to nine years of service; four months of wages with 10 to 15 years of service; or six months of wages with more than 15 years of service.

### **Family Allowances**

#### **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):** 50 Surinamese dollars 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 (Ministerie Van Sociale Zaken En Volkshuisvesting; <http://socialaffairs.gov.sr/>), 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:** Public- and private-sector employees, including agricultural and household workers, and paid apprentices.

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 weekly or monthly reference earnings based on 16 wage classes; 13.2% of weekly 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 cash 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 reference payroll, based on 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 cash 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):** The retirement age is flexible, from age 60 to age 65, with at least 750 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received disability, sickness, maternity, or work injury benefits.

Employment may continue. If younger than age 65, employment must cease at the time the claim is made, but it may resume afterward.

The old-age pension is payable abroad under reciprocal agreements.

**Old-age settlement (social insurance):** The retirement age is flexible, from age 60 to age 65, with less than 750 weeks of paid or credited contributions.

Contributions are credited for each complete contributory week the insured received disability, sickness, maternity, or work injury benefits.

Employment may continue. If younger than age 65, employment must cease at the time the claim is made, but it may resume afterward.

The old-age settlement is payable abroad under reciprocal agreements.

**Old-age social pension (Senior Citizens Pension, social assistance, income tested):** Age 65 with at least 15 years of residence in Trinidad and Tobago in the 20 years immediately before the claim is made or a total of 50 years of residence.

**Income test:** Monthly income must not exceed TT\$4,500.

The old-age social pension is not payable abroad.

**Disability pension (social insurance):** Must be younger than age 60, 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 age 60 and is replaced by the social insurance old-age pension.

The social insurance disability pension is payable abroad under reciprocal agreements.

**Disability social pension (Disability Assistance Grant, social assistance, income tested):** Must be aged 18 or older, be a resident of Trinidad and Tobago for at least three years before the claim is made, and have a medically certified permanent disability.

Income test: Monthly income must not exceed 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 orphans up to age 16 (age 19 if a full-time student; no limit if disabled) conceived before the insured's date of death, and dependent parents.

The survivor pension ceases if a survivor (re)marries; dependent children continue to receive orphan's pensions.

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, was receiving an work injury benefit, or had at least 25 weeks of contributions.

The funeral grant is payable abroad.

**Funeral grant (social assistance, income tested):** Paid to help needy individuals and families with little or no means of support cover the cost of a burial.

### Old-Age Benefits

**Old-age pension (social insurance):** TT\$130.78 to TT\$941.40 a week (TT\$566.72 to TT\$4,079.40 a month) plus TT\$1.41 to TT\$13.00 a week (TT\$6.11 to TT\$56.33 a month) for every 25 weeks of contributions exceeding 750 weeks is paid, depending on the insured's wage class (there are 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 (Senior Citizens Pension, social assistance, income tested):** TT\$500 to TT\$3,500 a month is paid, depending on the beneficiary's monthly 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 every 25 weeks of contributions exceeding 750 weeks is paid, depending on the insured's wage class (there are 16 wage classes).

Average weekly reference earnings are based on the insured's career earnings and his or her wage class.

There is no minimum disability pension.

**Disability social pension (Disability Assistance Grant, social assistance, income tested):** TT\$1,800 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 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 social insurance old-age or disability pension the deceased received or was entitled to receive is paid to each eligible orphan; 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 social insurance old-age or disability pension the deceased received or was entitled to receive 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 each parent; TT\$600 if only one living parent.

The maximum combined survivor pension is 100% of the social insurance 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.

Benefit adjustment: The funeral grant is adjusted based on changes in related costs related to 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.

Benefit adjustment: The funeral grant is adjusted based on changes in related costs related to 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) (<https://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

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#### Regulatory Framework

**First and current laws:** 1971 (social insurance) and 1998 (maternity).

**Type of program:** Universal (medical benefits), social insurance, and employer-liability.

#### Coverage

**Universal (medical benefits):** Residents of Trinidad and Tobago.

**Universal (chronic disease assistance):** Citizens of Trinidad and Tobago.

**Social insurance and employer liability (cash benefits):** Public- and private-sector employees, including agricultural and household workers, and paid apprentices.

Exclusions: Self-employed persons and certain employees of international organizations.

#### Source of Funds

##### Insured person

*Universal:* None.

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

*Employer liability:* None.

##### Self-employed person

*Universal:* None.

*Social insurance:* Not applicable.

*Employer liability:* Not applicable.

##### Employer

*Universal:* None.

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

*Employer liability:* The total cost.

### Government

*Universal:* The total cost.

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

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

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must be aged 16 to 65 with at least 10 weeks of contributions in the 13 weeks before the incapacity began.

**Cash maternity benefit (social insurance):** Must be aged 16 or older with at least 10 weeks of contributions in the 13 weeks before the last six weeks before the expected date of childbirth; or receiving sickness benefits in the 13 weeks before the last six weeks before 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.

**Medical benefits (universal):** There are no qualifying conditions.

**Chronic disease assistance (Chronic Disease Assistance Programme, universal):** Must be certified by a registered medical practitioner as suffering from at least one of the 12 listed chronic diseases.

### 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 before 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).

**Benefit adjustment:** The maternity grant is adjusted based on changes in costs related to maternity.

**Maternity benefit (employer liability):** 100% of the employee's monthly earnings is 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 (universal):** Medical services are provided for free to persons receiving care in public hospitals and health centers.

**Chronic disease assistance (Chronic Disease Assistance Programme, universal):** Free medicine and other pharmaceutical items are provided.

### **Dependents' Medical Benefits**

**Medical benefits (universal):** Benefits for dependents are the same as those for workers.

**Chronic disease assistance (Chronic Disease Assistance Programme, universal):** 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 (<https://www.nibtt.net/>), a tripartite body comprising government, labor, and employer representatives, collects contributions, and administers the social insurance program.

Ministry of Labour and Small Enterprise Development (<http://www.molsed.gov.tt/>) provides general supervision of the employer-liability program.

Ministry of Health (<http://www.health.gov.tt/>), provides general supervision of and delivers medical benefits.

National Insurance Property Development Company Ltd. (<http://nipdec.com/>) manages the procurement, storage and distribution of pharmaceuticals for the Chronic Disease Assistance Programme.

### **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**

Public- and private-sector employees, including agricultural and household workers, and paid apprentices.

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**

Must be assessed with a work injury or occupational disease. There is no minimum qualifying period.

#### **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 based on 16 wage classes.

#### **Permanent Disability Benefits**

**Permanent disability pension:** For an assessed degree of disability of at least 20%, a percentage of the temporary disability benefit is paid based on the assessed degree of disability.

There is no minimum permanent disability pension.

The permanent disability pension is paid after the temporary disability benefit ceases.

The insured's doctor assesses the degree of disability.

The permanent disability pension is payable abroad.

**Disability grant:** For an assessed degree of disability of less than 20%, a lump sum of half the insured's average weekly earnings multiplied by the assessed degree of disability and multiplied by the period of disability (up to 365 weeks) is paid. For an assessed degree of disability of 3% or less, an amount corresponding to a 3% degree of disability is paid.

Average weekly earnings are based on the insured's career earnings based on 16 wage classes.

The disability grant is paid after the temporary disability benefit ceases.

The disability grant is 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 permanent disability pension 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 death.

The minimum monthly spouse's pension is TT\$600.

The spouse's pension ceases upon (re)marriage.

Remarriage settlement: A lump sum of 52 weeks of the spouse's pension is paid upon remarriage.

*Orphan's pension:* 30% of the permanent disability pension the deceased received or was entitled to receive in the week before death is paid to each unmarried orphan up to age 19 (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 permanent disability pension 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 pensions are payable abroad.

**Funeral grant:** A lump sum of TT\$7,500 is paid.

The funeral grant is payable abroad.

### **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 (<https://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 adults are unable to earn an income due to ill health or disability; for children with fathers (or both parents) who are deceased, hospitalized, incarcerated, disabled, or whose whereabouts are unknown; and to low-income single parents or guardians caring for children with severe disabilities.

#### **General assistance grants (means tested):**

*Funeral grant:* See the social assistance funeral grant under Old Age, Disability and Survivors.

*Clothing grant:* Paid to disaster victims to help purchase clothing, including school uniforms and shoes for children. The grant is paid for up to four persons in a household.

*Dietary grant:* Paid to needy persons receiving public assistance to help purchase prescribed foodstuffs for persons diagnosed with certain conditions, such as diabetes or heart disease.

*Education grant:* Paid to families 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 a household, depending 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 needy individuals, victims of domestic violence, and disaster victims who are temporarily unable to pay housing rental payments. The benefit may be extended upon review.

**Medical equipment grant:** Paid to needy persons receiving public assistance 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 a two-year period.

**Pharmaceutical grant:** Paid to needy persons or persons receiving public assistance to help purchase up to three months of prescribed medicine deemed necessary and useful by the Ministry of Health and not covered by other programs.

**Household item grant:** Paid to needy individuals or disaster victims to help purchase household items, such as stoves, refrigerators, and furniture items. The purchase of any particular item may only be approved once in a three-year period.

**Home help grant:** Paid to needy persons or persons receiving public assistance to help finance short-term at-home care to persons who are temporarily unable to perform normal household chores and are unable to afford the cost of domestic assistance.

**Special child grant:** Paid to the parents of children up to age 18 with a mental or physical disability who are not receiving public assistance.

**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; or TT\$1,750 a month with four or more persons.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis based on the cost of living, poverty rates, demographic changes, and other factors.

### **General assistance grants (means tested)**

**Funeral grant:** See the 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 a 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 a household; up to TT\$500 a month for each child in secondary education.

**School supplies grant:** A lump sum of up to TT\$700 is paid for each primary school student; up to TT\$1,000 for each secondary school student.

**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.

**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\$7,000 (TT\$10,000 for victims of a disaster) is paid. The grant may only be claimed once in a three-year period.

**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 each eligible child for up to four children in a household. The grant is paid for up to one year for each child, but may be extended under certain conditions.

Benefit adjustment: Benefits are adjusted on an ad-hoc basis, based on the cost of living, poverty rates, demographic changes, and other factors.

**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 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:** Employed persons, including household employees with at least \$2,100 in gross annual income, federal government employees hired since January 1, 1984, and most state and local government employees; and self-employed persons with at least \$400 in annual net income.

Exclusions: Members of certain religious groups, nonresident workers who are temporarily in the United States, nonresidents employees of foreign governments and international organizations in the United States, and certain students who work for the educational institutions they are enrolled in.

Special systems for railroad employees, federal government employees hired before January 1, 1984, and certain state and local governments employees.

**Social assistance:** Needy citizens and 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; and noncitizens who meet certain conditions.

Exclusions: Needy citizens and nationals of the United States who reside in American Samoa, Guam, Puerto Rico, or the U.S. Virgin Islands.

#### Source of Funds

##### Insured person

**Social insurance:** 6.2% of covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are \$132,900. (This maximum is adjusted annually based on changes in the national average wage.)

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 12.4% of covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are \$132,900. (This maximum is adjusted annually based on changes in the national average wage.)

**Social assistance:** None.

##### Employer

**Social insurance:** 6.2% of covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are \$132,900. (This maximum is adjusted annually based on changes in the national average wage.)

**Social assistance:** None.

##### Government

**Social insurance:** A portion of the revenue from taxes on social security benefits (paid by higher income social security beneficiaries) is allocated to the Social Security 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 Security, social insurance):** Age 66 (gradually rising to age 67 by 2027) with at least 40 quarters of coverage.

Quarters of coverage are based on the insured's covered earnings in each year of contributions. The minimum amount of annual earnings to receive one quarter of coverage is \$1,360 in 2019. (This amount is adjusted annually based on changes in the national average wage.)

Employment may continue.

Early pension: Age 62 with at least 40 quarters of coverage.

Employment may continue.

Earnings test: If the insured is younger than the normal retirement age, the old-age pension is reduced with annual earnings exceeding \$17,640 (for years before the year the insured reaches the normal retirement age) or \$46,920 (for the year the insured reaches the normal retirement age). Beginning the month the insured reaches the normal retirement age, there is no earnings test. This earnings test also applies to dependents younger than the normal retirement age.

Deferred pension: The pension may be deferred until 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; 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 currently be 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.

The old-age pension is payable abroad to citizens of the United States residing in most countries, and to noncitizens under reciprocal agreements or under certain other conditions. Noncitizen dependents who were first eligible for social security benefits after 1984 must meet certain residency requirements unless an exception applies.

**Old-age supplemental income benefit (Supplemental Security Income, social assistance, means tested):**  
Age 65.

**Means test:** Earned and unearned income (including other benefits) and assets (including cash, investments, land, and property) must not exceed certain limits.

The old-age supplemental income benefit is not payable abroad and ceases 30 days after the beneficiary leaves the United States.

**Disability pension (Social Security, 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, and meet the recent work and duration of work requirements.

A person is assessed as incapable of substantial gainful activity if his or her monthly earnings do not exceed \$1,220 (if sighted) or \$2,040 (if blind).

**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 in which 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 in each year of contributions. The minimum amount of annual earnings to receive one quarter of coverage is \$1,360 in 2019. (This amount is adjusted annually based on changes in the national average wage.)

**Duration of work requirement:** If the insured is younger than age 62 at the time the disability began, he or she must have at least six quarters of coverage and the total quarters of coverage must be at least equal to the deceased's age minus 21. If the insured is aged 62 or older, he or she must have at least 40 quarters of coverage.

The qualifying conditions for young and blind persons are less strict.

Employment may continue if monthly earnings do not exceed the limit for substantial gainful activity.

**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; 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).

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

The disability pension is payable abroad to citizens of the United States residing in most countries, and to noncitizens under reciprocal agreements or under certain other conditions. Noncitizen dependents who were first eligible for social security benefits after 1984 must meet certain residency requirements unless an exception applies.

**Disability supplemental income benefit (Supplemental Security Income, social assistance, means tested):**  
Must be younger than age 65 and blind or assessed with a disability.

**Means test:** Earned and unearned income (including other benefits) and assets (including cash, investments, land, and property) must not exceed certain limits. Certain impairment-related work expenses are deductible from income.

The disability supplemental income benefit is not payable abroad and ceases 30 days after the beneficiary leaves the United States.

**Survivor pension (Social Security, social insurance):**

The deceased received an old-age or disability pension; was entitled to receive an old-age pension; or was younger than age 62 and had at least six quarters of coverage and the total quarters of coverage was at least equal to the deceased's age minus 21.

Quarters of coverage are based on the deceased's covered earnings in each year of contributions. The minimum amount of annual earnings to receive one quarter of coverage is \$1,360 in 2019. (This amount is adjusted annually based on changes in the national average wage.)

If the deceased did not qualify but had at least six quarters of coverage in the 13-quarter period ending with the quarter he or she died, the survivor pension is only paid to eligible orphans and to a widow(er) caring for an eligible dependent child.

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 orphan 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:** If the survivor is younger than the normal retirement age, the survivor pension is reduced with annual earnings exceeding \$17,640 (for years before the year he or she reaches the normal retirement age) or \$46,920 (for the year he or she reaches the normal retirement age). Beginning the month the survivor reaches the normal retirement age, there is no earnings test.

The widow(er)'s pension ceases if the widow(er) remarries before age 60.

The survivor pension is payable abroad to citizens of the United States residing in most countries, and to noncitizens under reciprocal agreements or under certain other conditions. Noncitizen survivors who were first eligible for social security benefits after 1984 must meet certain residency requirements unless an exception applies.

### **Death benefit (Social Security, social insurance):**

The deceased had at least six quarters of coverage in the 13-quarter period ending with the quarter he or she died, or had at least six quarters of coverage and the total quarters of coverage was at least equal to the deceased's age minus 21.

Paid to the widow(er) (same sex or opposite sex) living with the insured when he or she died. If they were living apart, paid if the 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), orphans are eligible if they were receiving benefits on the insured's record or became eligible in the month of the insured's death.

The death benefit is payable abroad in most countries.

### **Old-Age Benefits**

#### **Old-age pension (Social Security, social insurance):**

The pension is based on the average of the insured's 35 best years of earnings. The earnings for years before age 60 are adjusted based on increases in the national average wage.

The maximum monthly old-age pension is \$2,861.

**Early pension:** The pension is reduced for each month it is claimed before the normal retirement age.

**Earnings test:** The pension is reduced by \$1 for every \$2 of annual earnings exceeding \$17,640 until the year the insured reaches the normal retirement age. The pension is

reduced by \$1 for every \$3 of annual earnings exceeding \$46,920 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.

**Deferred pension:** The pension is increased by 0.67% for each month it is deferred until 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 annually based on changes in the cost of living.

**Old-age supplemental income benefit (Supplemental Security Income, social assistance, means tested):** Up to \$771 a month is paid for an individual; \$1,157 a month for a couple.

States and territories may supplement these benefit amounts in their jurisdictions.

**Benefit adjustment:** Benefits are adjusted annually based on changes in the cost of living.

### **Permanent Disability Benefits**

#### **Disability pension (Social Security, social insurance):**

The pension is based on the insured's average covered earnings (adjusted based on increases in the national average wage) 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 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 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 annually based on changes in the cost of living.

**Disability supplemental income benefit (Supplemental Security Income, social assistance, means tested):** Up to \$771 a month is paid for an individual; \$1,157 a month for a couple.

States and territories may supplement these benefit amounts in their jurisdictions.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

## Survivor Benefits

### Survivor pension (Social Security, 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) of 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, depending on the widow(er)'s age when the claim is made; 71.5% to a disabled widow(er) aged 50 to 59.

Earnings test: The pension is reduced by \$1 for every \$2 of annual earnings exceeding \$17,640 until the year the widow(er) reaches the normal retirement age. The pension is reduced by \$1 for every \$3 of earnings exceeding \$46,920 in the year the widow(er) reaches the normal retirement age. Beginning the month the widow(er) reaches the normal retirement age, there is no earnings test.

*Orphan's pension:* 75% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible orphan.

*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.

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.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

**Death benefit (Social Security, social insurance):** A lump sum of \$255 is paid. If there are multiple eligible survivors, the benefit is split among them.

## 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

### 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 and agriculture in 11 states (Arizona, California, Connecticut, Maryland, Massachusetts, Michigan, New Jersey, Oregon, Rhode Island, Vermont, and Washington) and Puerto Rico are covered for cash sickness benefits. (There is a special federal system for railroad employees and certain public-sector employees.) Private-sector workers in California, New York, and Rhode Island 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 at least 50 employees.

Medicare (social insurance) consists of: Part A (hospitalization); Part B (medical services); Part D (prescription drug insurance plans); and Part C (private Medicare Advantage plans that may be substituted for Parts A, B, and D because they provide hospitalization, medical service, and prescription drug coverage).

### Coverage

**Cash sickness and maternity benefits:** No statutory benefits are provided.

### Medical benefits

*Medicare Part A (social insurance) and Affordable Care Act (mandatory private insurance):* Citizens and legal residents of the United States.

Special systems for some employees of state and local governments.

*Medicare Parts B, C, and D (social insurance):* Voluntary coverage for persons entitled to Medicare Part A.

*Medicaid and Children's Health Insurance Program (CHIP) (social assistance):* Needy citizens and legal residents of the United States.

## 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). Medicare Part A beneficiaries pay a monthly premium that varies depending on quarters of coverage: no premium with at least 40 quarters of coverage, \$240 with 30 to 39 quarters, or \$437 with less than 30 quarters of coverage. (A spouse, divorced spouse, or widow(er) aged 65 or older can qualify for premium-free coverage based on the insured person's quarters of coverage.)

There are no minimum or 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 a monthly premium that varies depending on income level: \$134 with an annual income up to \$85,000 (single person) or \$170,000 (married couple), or \$189.60 to \$460.20 with an annual income exceeding \$85,000 (single person) or \$170,000 (married couple). (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 depending on the plan.

**Medicare Part D (social insurance):** Medicare Part D beneficiaries pay a monthly premium that varies depending on the plan. A beneficiary with an annual income exceeding \$85,000 (single person) or \$170,000 (married couple) pays an additional amount directly to the government that ranges from \$12.40 to \$77.40 a month, depending on 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 private insurance):** Premiums vary depending on the plan.

**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 exceeding \$200,000 (single person) or \$250,000 (married couple). Medicare Part A beneficiaries pay a monthly premium that varies depending on the quarters of coverage: no premium with at least 40 quarters of coverage, \$240 with 30 to 39 quarters, or \$437 with less than 30 quarters of coverage. (A spouse,

divorced spouse, or widow(er) aged 65 or older can qualify for premium-free coverage based on the self-employed person's quarters of coverage.)

There are no minimum or 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 a monthly premium that varies depending on income level: \$135.50 with an annual income up to \$85,000 (single person) or \$170,000 (married couple), \$189.60 to 460.50 with an annual income exceeding \$85,000 (single person) or \$170,000 (married couple). (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 depending on the plan.

**Medicare Part D (social insurance):** Medicare Part D beneficiaries pay a monthly premium that varies depending on the plan. A beneficiary with an annual income exceeding \$85,000 (single person) or \$170,000 (married couple) pays an additional amount directly to the government that ranges from \$12.40 to \$77.40 a month, depending on 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 private insurance):** Premiums vary depending on the plan.

**Medicaid and Children's Health Insurance Program (CHIP) (social assistance):** None.

### Employer

**Medicare Part A (social insurance):** 1.45% of payroll.

There are no minimum or 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 private insurance):** None.

**Medicaid and Children's Health Insurance Program (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):** Provides subsidies funded by 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 private insurance):** Provides tax credits to small businesses and to persons with incomes 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 \$12,490 for one person to \$43,430 for a family of eight. (For families/households with more than eight persons, the level rises by \$4,420 a year for each additional person.)

**Medicaid and Children's Health Insurance Program (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):** Must be aged 65 or older; 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 Amyotrophic Lateral Sclerosis).

**Medicare Part C (social insurance):** Same as for Parts A and B. Persons with end-stage renal disease who are new to Medicare are usually excluded.

**Medicare Part D (social insurance):** Must be entitled to Medicare Part A, B, or C.

**Affordable Care Act (mandatory private insurance):** Most citizens and legal residents of the United States must have qualified health insurance through private insurers if they are not covered by Medicare, Medicaid, or another public health insurance program. There is no penalty for failing to meet this coverage requirement.

**Medicaid (social assistance, income tested):** States set individual eligibility criteria within federal minimum

standards. Many states have expanded coverage, particularly for children, above the federal minimums.

**Income test:** Family income must not exceed a specified 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 \$12,490 for one person to \$43,430 for a family of eight. (For families/households with more than eight persons, the level rises by \$4,420 a year for each additional person.)

**Children's Health Insurance Program (CHIP) (social assistance, income tested):** Provided for children up to age 19 who are not covered by private health insurance and whose family income is too high to qualify them for Medicaid. States set their own income eligibility standards.

## 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 \$1,364 and no copay for up to 60 days; \$341 a day for the 61st to the 90th day; and \$682 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 \$170.50 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 \$185 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 depending on the plan.

**Medicare Part D (social insurance):** The maximum allowable deductible is \$415 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 \$3,820 a year. The insured pays a higher percentage of the combined total cost of prescription drugs from \$3,820 to \$5,100. (That percentage is gradually falling from 25% (brand-name prescription drugs) or 37% (generic) of the cost in 2019, 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 depending on the type of drug.



### **Affordable Care Act (mandatory private 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 basic package of free 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 Children's Health Insurance Program (CHIP) (social assistance, income tested):** 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**

**Medicare (social insurance):** Dependents must qualify for benefits in their own right.

**Affordable Care Act (mandatory private insurance):** Benefits for children up to age 26 are the same as those for the insured.

**Medicaid (social assistance, income tested):** Dependents must qualify for benefits in their own right.

**Children's Health Insurance Program (CHIP) (social assistance, income tested):** Eligible children are covered in their own right.

### **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 private 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**

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### **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, the District of Columbia, Guam, and the U.S. Virgin Islands.)

Exclusions: Self-employed persons, agricultural employees, some small businesses, casual workers, and household workers.

Special system for coal miners who develop pneumoconiosis (black lung).

### **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 of premiums in 2017 was 1.25% of payroll.)

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

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

### **Temporary Disability Benefits**

66.6% of the employee's earnings is paid after a three- to seven-day waiting period (in most states). Benefits are paid

retroactively if the disability lasts for a specified period, ranging 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 based on increases in state average wages.

### **Permanent Disability Benefits**

For a total disability, 66.6% of the employee's earnings is paid for the duration of the disability (in most states).

Partial disability: A reduced pension is paid based on 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 (in 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 require employers to provide medical care for as long as it is 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 18 states; or with a private carrier in the remainder. In all but two states, certain employers may choose to self-insure.

### **Unemployment**

#### **Regulatory Framework**

**First and current federal law:** 1935 (social security).

**First and current state laws:** All states, Puerto Rico, the U.S. Virgin Islands, and the 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 employees, including military personnel, most agricultural employees, and household workers.

Exclusions: Self-employed persons, some agricultural employees, employees of religious organizations, casual workers, and family labor.

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% depending on 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, depending on 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. The insured 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. The insured 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***

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#### ***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 depending on income, marital status, and the number of children and ranges from up to \$538 a year with no children and annual income up to \$15,820 (single person) or \$21,710 (married couple), to up to \$6,660 a year with at least three children and annual income up to \$50,594 (single) or \$56,844 (married).

## Uruguay

Exchange rate: US\$1.00 = 35.21 pesos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1829 to 1954 (various laws for specified groups of workers); 1919 (contributory and non-contributory pensions); and 1966 (national social security institution), implemented in 1967.

**Current laws:** 1995 (social insurance and individual accounts), implemented in 1996; 2007 (pension for persons who suffered political persecution); 2007 (noncontributory pensions), implemented in 2008; 2009 (flexibility of social security); 2011 (victims of domestic violence); 2012 (victims of violent crimes); 2013 (partial pension for private workers); 2014 (severely disabled persons); and 2017 (opting-out of individual accounts for certain persons).

**Type of program:** Social insurance, mandatory individual account, and social assistance system.

Note: Self-employed persons with annual earnings below 737,033 pesos (one-person enterprise) or 1,228,388 pesos (microenterprises with up to three partners) may enroll in a simplified system for small contributors. Under this program (Monotributo), insured persons pay a single monthly contribution for social security, which is calculated based on an assumed monthly income of 5,497 pesos.

#### Coverage

**Social insurance:** Employed and self-employed persons, including rural and household workers.

Special systems for bank employees, notaries, university graduates, self-employed persons registered as small contributors (Monotributo program), 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 exceeding 57,846 pesos.

Voluntary coverage for employed and self-employed persons born on or before April 1, 1956, or who have monthly earnings up to 57,846 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. (Resident citizens of Uruguay for the special pension for persons who suffered political persecution.)

### Source of Funds

#### Insured person

**Social insurance:** 15% of gross monthly covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are 57,846 pesos.

Insured persons with monthly earnings up to 57,846 pesos can choose to allocate 50% of their contributions to an individual account.

The maximum earnings used to calculate contributions are adjusted annually based on changes in the average wage index.

The insured person's contributions also indirectly finance cash sickness and parental benefits, unemployment benefits, and family allowances.

**Mandatory individual account:** 15% of gross monthly covered earnings exceeding 57,846 pesos.

The insured person's contributions to the individual account include an average of 2.468% of covered earnings for disability and survivor insurance and an average of 1.37% of covered earnings for administrative fees (2018).

The minimum monthly earnings used to calculate mandatory contributions are 57,846 pesos.

The maximum monthly earnings used to calculate mandatory contributions are 173,539 pesos.

Persons who voluntarily choose to contribute to the individual account program can allocate 50% of their contributions on monthly earnings up to 57,846 pesos to the individual account and 50% to the social insurance program, and 100% of contributions on monthly earnings exceeding 57,846 pesos and up to 86,770 pesos to the social insurance program.

Insured persons with monthly earnings exceeding 173,539 pesos can make voluntary contributions for the monthly earnings exceeding 173,539 pesos to the individual account program only.

The minimum and maximum earnings used to calculate contributions are adjusted annually based on changes in the average wage index.

**Social assistance:** None.

#### Self-employed person

**Social insurance:** 15% of gross monthly covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are 57,846 pesos.

Self-employed persons with monthly earnings up to 57,846 pesos can choose to allocate 50% of their contributions to an individual account.

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

**Mandatory individual account:** 15% of gross monthly covered earnings exceeding 57,846 pesos.

The self-employed person's contributions to the individual account include an average of 2.468% of covered earnings for disability and survivor insurance and an average of 1.37% of covered earnings for administrative fees (2018).

The minimum monthly earnings used to calculate mandatory contributions are 57,846 pesos.

The maximum monthly earnings used to calculate mandatory contributions are 173,539 pesos.

Persons who voluntarily choose to contribute to the individual account program can allocate 50% of their contributions on the monthly earnings up to 57,846 pesos to the individual account and 50% to the social insurance program, and 100% of contributions on monthly earnings exceeding 57,846 pesos and up to 86,770 pesos to the social insurance program.

Self-employed persons with monthly earnings exceeding 173,539 pesos can make voluntary contributions for the monthly earnings exceeding 173,539 pesos to the individual account program only.

The minimum and maximum earnings used to calculate contributions are adjusted annually based on 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.

There are no minimum earnings used to calculate contributions.

The maximum monthly earnings used to calculate contributions are 173,539 pesos.

The maximum earnings used to calculate contributions are adjusted annually based on changes in the average wage index.

The employer's contributions also indirectly finance cash sickness and parental benefits, unemployment benefits, and family allowances.

**Mandatory individual account:** None.

**Social assistance:** None.

### Government

**Social insurance:** Finances any deficit; contributes as an employer.

**Mandatory individual account:** None.

**Social assistance:** The total cost.

### Qualifying Conditions

**Old-age pension (Jubilación Común, social insurance):** Age 60 with at least 30 years of paid or credited 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 until age 70, or until reaching 35 years of contributions, whichever occurs first.

**Old-age supplement (Prima por Edad, social insurance, income tested):** Must be aged 70 or older.

**Income test:** Household average monthly per capita income must not exceed 16,288.99 pesos (16,722.98 pesos as of January 2020).

The social insurance old-age pension is payable abroad.

**Old-age pension (Jubilación Común, mandatory individual account):** Age 60 with at least 30 years of contributions; age 65 with no contribution requirement (Jubilación Parcial por Ahorro).

The individual account old-age pension is payable abroad.

**Advanced old-age pension (Jubilación por Edad Avanzada, social insurance and mandatory individual account):** Age 70 with at least 15 years of paid or credited 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.

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.

**Old-age supplement (Prima por Edad, social insurance, income tested):** Must be aged 70 or older and be receiving a social insurance advanced old-age pension.

**Income test:** Household average monthly per capita income must not exceed 16,288.99 pesos (16,722.98 pesos as of January 2020).

The advanced old-age pension (social insurance or mandatory individual account) is payable abroad.

**Partial old-age pension (Jubilación Parcial, 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.

The partial old-age pension is payable abroad.



**Special pension for persons who suffered political persecution (Jubilación Especial Reparatoria, 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.

The special pension for persons who suffered political persecution cannot be combined with any other contributory social security benefit.

**Noncontributory old-age pension (Pensión por Vejez, 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 (Asistencia a la Vejez).

Means test: The beneficiary's monthly income from work and other sources must not exceed 11,160.29 pesos. The income of family members, including the beneficiary's spouse, siblings, parents, and children, must not exceed certain limits. An asset test is also applied.

**Special pension for persons who suffered political persecution (Pensión Especial Reparatoria, social assistance, income tested):** 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.

Income test: Monthly income from work and other sources must not exceed 62,310 pesos (67,785 pesos as of January 2020).

The special pension for persons who suffered political persecution cannot be combined with any other social insurance or social assistance benefit.

**Disability pension (Jubilación por Incapacidad Física Total, 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 immediately before the disability began. There is no minimum qualifying period for a disability resulting from an accident. If the disability began after the insured ceased employment and he or she is not receiving any other social insurance or social assistance benefit, a pension may be paid with at least 10 years of covered employment (a residence requirement is applied).

Partial disability benefit (Subsidio Transitorio por Incapacidad Parcial): 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 disability.

The social insurance and individual account disability pensions are payable abroad.

**Noncontributory disability pension (Pensión por Invalidez, social assistance, means tested):** Must have a permanent disability or a severe disability and have at least 15 years of residence in Uruguay.

Means test: The beneficiary's monthly income from work must not exceed 12,462 pesos; nonemployed persons must not have income that exceeds 11,160.29 pesos. The income of family members, including the beneficiary's spouse, siblings, parents, and children, must not exceed certain limits. An asset test is also applied. The income and asset tests are waived for persons with severe disabilities.

Special allowance (Ayuda Extraordinaria): Paid to low-income persons based on assessed need for transportation and other costs related to attending special education institutions.

**Disability pension for victims of violent crimes (Pensión a las Víctimas de Delitos Violentos, social assistance, income tested):** Must be assessed with a total disability and a total incapacity for any work resulting from being a victim of a violent crime and not be receiving any other social security benefit provided by a public or private institution.

A medical examination by a doctor approved or designated by the Social Insurance Bank may be required.

**Attendance allowance (Programa de Asistentes Personales, social assistance, income tested):** Must be younger than age 29 or older than age 80, be assessed with a severe disability, require the attendance of others for at least 70 hours a month to perform daily functions, and not be receiving residential care. Noncitizens must have at least 10 years of residence in Uruguay immediately before the claim is made.

Income test: Monthly per capita family income must not exceed a maximum that varies depending on family situation and the level of care needed.

**Survivor pension (Pensión por Fallecimiento, social insurance and mandatory individual account):** The deceased was working; received or was entitled to receive an old-age or disability pension, or a sickness, maternity, work injury, or unemployment benefit; or died in the 12 months after an 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), a dependent divorced spouse (same sex or opposite sex) who was receiving alimony, unmarried orphans younger than age 21 (age 18 with sufficient means; no limit if disabled), and dependent, disabled parents. A widow or female partner's average monthly income must

not exceed 188,359.27 pesos in the 12 months before the insured's death. A widower or male partner's monthly income must not exceed 108,306.57 pesos: with an annual income up to 50,543.07 pesos, the pension is paid automatically; with an annual income exceeding 50,543.07 pesos and up to 108,306.57 pesos, the widow or male partner must prove that he was economically dependent on the deceased (January 2020).

The survivor pension is payable abroad.

**Pension for victims of violent crimes (Pensión a las Víctimas de Delitos Violentos, social assistance, income tested):** Paid to a victim of a violent crime or his or her dependents.

Eligible dependents include the spouse or cohabiting partners of persons who deceased as a victim of homicide, and children younger than age 21 (no limit if single and with a total incapable for any work).

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 (Pensión para Hijos de Fallecidos por Violencia Doméstica, 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 (at any age if assessed as incapable for any work and without 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 payable abroad.

**Funeral grant (Subsidio por Expensas Funerarias y Gastos Complementarios, social insurance):** Paid to the person who pays for the funeral when an insured person or pensioner dies.

The funeral grant is payable abroad under certain conditions.

### Old-Age Benefits

**Old-age pension (Jubilación Común, 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.

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 greater.

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 12,150.45 pesos (13,557 pesos as of January 2020).

The maximum monthly old-age pension is 47,723.24 pesos (social insurance and individual account) or 70,572.54 pesos (social insurance only).

Old-age supplement (Prima por Edad, social insurance, income tested): 2,890 pesos a month is paid (January 2020).

Benefit adjustment: Benefits are adjusted annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Old-age pension (Jubilación Común, 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 annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Advanced old-age pension (Jubilación por Edad Avanzada, social insurance):** 50% of the insured's reference earnings plus 1% for each year of contributions exceeding the respective minimum years of contributions (from 15 to 25 years), up to 14%, is paid.

Reference earnings are the insured's average indexed monthly covered earnings in the 10 years before retirement, 105% of the insured's average indexed monthly covered earnings in the best 20 years of earnings (or over the total contributory period if less than 20 years), whichever is greater.

The minimum monthly advanced old-age pension is 12,150.45 pesos (13,557 pesos as of January 2020).

The maximum monthly advanced old-age pension is 47,723.24 pesos (social insurance and individual account) or 70,572.54 pesos (social insurance only).

Old-age supplement (Prima por Edad, social insurance, income tested): 2,890 pesos a month is paid (January 2020).

Benefit adjustment: Benefits are adjusted annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Advanced old-age pension (Jubilación por Edad Avanzada, 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 annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Partial old-age pension (Jubilación Parcial, 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 annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Special pension for persons who suffered political persecution (Jubilación Especial Reparatoria, social insurance):** 20,770 pesos (22,595 pesos as of January 2020) a month is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the BPC (Base de Prestaciones y Contribuciones).

**Noncontributory old-age pension (Pensión por Vejez, social assistance, means tested):** 11,160.29 pesos a month is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Special pension for persons who suffered political persecution (Pensión Especial Reparatoria, social assistance, income tested):** 35,309 pesos (38,411.50 pesos as of January 2020) a month is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the BPC (Base de Prestaciones y Contribuciones).

### **Permanent Disability Benefits**

**Disability pension (Jubilación por Incapacidad Física Total, 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 greater. (If the insured has fewer than ten years of contributions, the total number of years worked is used to calculate the reference earnings.)

Partial disability benefit (Subsidio Transitorio por Incapacidad Parcial): 65% of the insured's reference earnings is paid for up to three years.

The minimum monthly disability pension is 12,150.45 pesos (13,557 pesos as of January 2020).

The maximum monthly disability pension is 47,723.24 pesos (51,798.80 pesos as of January 2020).

Benefit adjustment: Benefits are adjusted annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Disability pension (Jubilación por Incapacidad Física Total, 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 (Pensión por Invalidez, social assistance, means tested):** 11,160.29 pesos a month is paid.

Special allowance (Ayuda Extraordinaria): 2,696.62 pesos a month is paid for transportation costs or 5,829.01 pesos a month for rehabilitation costs (January 2020).

Benefit adjustment: Benefits are adjusted annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Disability pension for victims of violent crimes (Pensión a las Víctimas de Delitos Violentos, social assistance, income tested):** 24,924 pesos (27,114 pesos as of January 2020) a month is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the BPC (Base de Prestaciones y Contribuciones).

**Attendance allowance (Programa de Asistentes Personales, social assistance, income tested):** Up to 19,108.4 pesos (20,787.4 pesos as of January 2020) a month is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the BPC (Base de Prestaciones y Contribuciones).

### **Survivor Benefits**

**Survivor pension (Pensión por Fallecimiento, 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, depending on 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 survivor pension is paid for two years to a widow(er) or divorced spouse younger than age 30; for five years if the widow(er) or divorced spouse is aged 30 to 39; for life if aged 40 or older; or for the duration of the disability if disabled. A temporary survivor pension may be extended if the widow(er) or divorced spouse is raising a child younger than age 21 (no limit if disabled).

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 (total 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 annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

**Pension for victims of violent crimes (Pensión a las Víctimas de Delitos Violentos, social assistance, income tested):** 24,924 pesos (27,114 pesos as of January 2020) a month is paid.

**Benefit adjustment:** Benefits are adjusted annually based on changes in the BPC (Base de Prestaciones y Contribuciones).

**Special allowance for victims of domestic violence (Pensión para Hijos de Fallecidos por Violencia Doméstica, social assistance):** 11,160.29 pesos (12,113.38 pesos as of January 2020) a month is paid.

An additional benefit of 1,615.23 pesos (2,307.48 pesos if a student or assessed as incapable of any work) a month is either paid to a legal guardian or credited to a special account that can be accessed by the beneficiary once he or she reaches age 18.

**Funeral grant (Subsidio por Expensas Funerarias y Gastos Complementarios, social insurance):** The cost of the funeral, up to 26,866.51 pesos (29,160.91 pesos as of January 2020), is paid. If the deceased was covered through private insurance, only the cost of complementary services are reimbursed, up to 13,304.66 pesos (14,580.46 pesos as of January 2020).

### Administrative Organization

Ministry of Labor and Social Security (<https://www.mtss.gub.uy/>) provides general supervision.

Social Insurance Bank (<http://www.bps.gub.uy/>) administers the social insurance program and collects contributions.

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:** 1955 (sickness benefit for public transport workers), 1958 (maternity benefits), and 1958 (sickness and medical benefits for construction workers).

**Current laws:** 1975 (sickness); 1980 (maternity and family allowances), implemented in 1981; 2007 (national health fund); 2007 (national integrated health system), implemented in 2008; 2011 (incorporation schedule); 2012 (coverage extension national health fund); 2012 (benefit calculation); and 2012 (social assistance medical benefits).

**Type of program:** Social insurance (cash sickness and medical benefits), employment-related (parental benefits), employer-liability (paternity benefit), and social assistance (medical benefits) system.

**Note:** A portion of the contributions to the social insurance system for old age, disability, and survivors benefits finances the employment-related cash parental benefits. However, there is no direct link between the contributions and entitlement to these benefits.

### Coverage

**Cash sickness benefit (social insurance):** Private-sector employees; self-employed rural workers and persons working in companies with up to five employees; self-employed persons registered as small contributors (monotributo and monotributo social) and their collaborating spouses; members of cooperatives; and persons receiving a partial old-age pension who continue working.

**Exclusions:** Certain company managers and directors.

Special systems for public-sector employees.

**Cash parental benefits (employment related):** Private-sector employees, including employees of diplomatic missions, banks, and notaries; self-employed rural workers and persons working in companies with up to one employee, and their collaborating spouses; self-employed persons registered as small contributors (monotributo and monotributo social) and their collaborating spouses (monotributo); members of cooperatives; and persons receiving an unemployment benefit.

Voluntary coverage is available.

Special systems for public-sector employees.

**Medical benefits (social insurance):** Public- and private-sector employees; self-employed persons; persons receiving unemployment benefits; persons working in companies with up to five employees, and their collaborating spouses;



pensioners; and persons receiving social assistance old-age, disability, and survivors benefits. Must reside in Uruguay.

Voluntary coverage for self-employed persons registered as small contributors (monotributo and monotributo social) and their collaborating spouses.

Exclusions: Employees of local governments and certain ministries.

Special systems for military and police personnel.

**Cash paternity benefit (employer liability):** Employed persons.

Special systems for military and police force personnel, and local government employees.

**Medical benefits (social assistance):** Needy residents of Uruguay and persons who suffered political persecution not covered by social insurance medical benefits.

### Source of Funds

#### Insured person

*Social insurance and employment related (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 depending on the insured's income and family situation.

There are no minimum or maximum earnings used to calculate contributions.

*Employer liability:* None.

*Social assistance (medical benefits):* None.

#### Self-employed person

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

*Social insurance (medical benefits):* 5,298 pesos a month with no child or spouse; 6,243 pesos a month with a child and a spouse; 5,703 pesos a month with a child and no spouse; or 5,838 pesos a month with a spouse and no child (January 2019).

*Employer liability:* Not applicable.

*Social assistance (medical benefits):* None.

#### Employer

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

*Social insurance (medical benefits):* 5% of payroll plus additional premiums.

There are no minimum or maximum earnings used to calculate contributions.

*Employer liability:* The total cost.

*Social assistance (medical benefits):* None.

### Government

*Social insurance and employment related (cash benefits):* Finances any deficit.

*Social insurance (medical benefits):* Finances any deficit for all residents of Uruguay.

*Employer liability:* None.

*Social assistance (medical benefits):* The total cost.

### Qualifying Conditions

**Cash sickness benefit (Subsidio por Enfermedad, social insurance):** Must have at least three months of covered employment (at least 75 days for daily workers) in the last 12 months. There is no minimum qualifying period for pregnant women.

**Cash maternity benefit (Subsidio por Maternidad, employment related):** Paid for the birth of a child.

**Cash paternity benefit (Subsidio por Paternidad, employment related and employer liability):** Paid for the birth of a child. The benefit is not paid for a stillborn child.

**Newborn care allowance (Subsidio para el Cuidado del Recién Nacido, employment related):** 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 (Licencia Especial por Adopción, employment related):** Paid to a private-sector salaried worker who adopts a child. The claim must be made within 30 days after the adoption.

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

Eligible dependents include an uninsured spouse or cohabiting partner and children younger than age 18 (no limit if disabled).

**Medical benefits (social assistance, means tested):** Provided to indigent persons, families receiving the social assistance vulnerable family allowance, and certain other vulnerable groups. There is no minimum qualifying period.

Income test: The beneficiary's income must not exceed certain limits.

### Sickness and Maternity Benefits

**Sickness benefit (Subsidio por Enfermedad, social insurance):** 70% of the insured's average monthly covered earnings in the six months immediately before the incapacity began is paid after a three-day waiting period (no waiting period for hospitalization). The benefit is paid for up to a year; may be extended for an additional 12 consecutive months or for up to 36 nonconsecutive months.

The maximum monthly sickness benefit is 40,909.42 pesos (44,606.60 pesos as of January 2020).



**Maternity benefit (Subsidio por Maternidad, employment related):** 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.

Schedule of benefits: The maternity benefit is paid as a lump sum.

**Paternity benefit (Subsidio por Paternidad, employment related and employer liability):** 100% of the insured's average daily or monthly earnings in the last six months (declared earnings in the 12 months for self-employed persons) are paid for up to 13 days. The first three days are paid by the employer; up to 10 additional days are paid by the Social Insurance Bank (BPS).

Schedule of benefits: The paternity benefit is paid as a lump sum.

**Newborn care allowance (Subsidio para el Cuidado del Recién Nacido, employment related):** 50% of the caregiver's average daily earnings in the six months before the maternity leave began (declared earnings in the 12 months before the maternity leave for self-employed persons) is paid for each day the employee works reduced hours to care for a child.

Schedule of benefits: The newborn care allowance is paid monthly.

**Special adoption leave (Licencia Especial por Adopción, employment related):** 100% of the employee'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 benefits (social insurance):** 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.

**Medical benefits (social assistance, means tested):** Free public health care is provided through public hospitals and clinics.

### **Dependents' Medical Benefits**

**Medical benefits (social insurance):** Benefits for dependents are the same as those for the insured.

**Medical benefits (social assistance, means tested):** Benefits for dependents are the same as those for the primary beneficiary.

### **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 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.

State Health Services Administration (Administración de los Servicios de Salud del Estado, ASSE) (<http://www.asse.com.uy/home>) administers the social assistance program.

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### **Work Injury**

#### **Regulatory Framework**

**First law:** 1914 (work injury).

**Current law:** 1989 (work injury), implemented in 1990.

**Type of program:** Employer-liability (through a public carrier) system.

#### **Coverage**

Private-sector employees, including rural workers, construction workers, and household workers; certain public-sector employees; members of cooperatives; 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 depending on the assessed degree of risk; 3.10% of earnings for household workers.

**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 specified by law.

## Temporary Disability Benefits

**Temporary disability pension (Indemnización Temporal):** 66.67% of the insured's average daily earnings in the six months immediately 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 benefit is paid after a four-day waiting period for the duration of the disability.

An additional benefit of 3.607% of the insured's earnings is paid under sickness benefits.

The minimum monthly temporary disability benefit is 3,052 pesos.

For an occupational disease, 100% of the insured's earnings before the disease was diagnosed is paid. There is no waiting period.

Schedule of payments: The temporary disability benefit is paid monthly.

Benefit adjustment: Benefits are adjusted annually based on changes in the average wage index (Índice Medio de Salarios).

## Permanent Disability Benefits

**Permanent disability pension (Renta por Incapacidad Permanente):** For an assessed degree of disability of at least 20%, 100% of the insured's monthly loss of earnings is paid.

Constant-attendance allowance: If the insured requires the constant attendance of others to perform daily function, the permanent disability pension is increased up to 115% of the insured's earnings before the disability began.

For an assessed degree of disability of at least 10% but less than 20%, a lump sum of 36 times the insured's monthly loss of earnings is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

## Workers' Medical Benefits

The National Insurance Bank provides medical services. Benefits include medical, surgical, and dental care; hospitalization; medicine; transportation; rehabilitation; 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% without 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. This requirement is waived if the marriage or partnership began before the accident.

**Orphan's pension:** If there are no other eligible survivors, 50% of the deceased's annual earnings is paid to each orphan younger than age 18 (no age limit if disabled and dependent on the deceased); if there is a widow(er) or partner, 20% is paid for one orphan; 35% for two; 45% for three; and 55% for four or more orphans.

**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 annually based on changes in the average wage index (Índice Medio de Salarios) in the previous year.

## Administrative Organization

Social Insurance Bank (<http://www.bps.gub.uy/>) supervises and collects contributions to the program.

National Insurance Bank (<https://www.bse.com.uy/inicio/>) administers the program.

Hospitals and clinics under contract with the National Insurance Bank provide medical benefits.

## Unemployment

### Regulatory Framework

**First law:** 1934 (unemployment subsidy).

**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, employees of diplomatic missions, construction workers, government employees with fixed-term contracts of at least two years, professional athletes, members of cooperatives, household workers, and certain teachers.

Exclusions: Self-employed persons and certain company managers and directors.

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:** Finances any deficit.

### Qualifying Conditions

**Unemployment benefit (Subsidio por Desempleo):** For employees paid monthly, must have at least 180 days of covered employment in the 12 months before unemployment began; for employees paid at irregular intervals, must have at least 180 days of covered employment, including at least 150 days of covered employment in the 12 months before unemployment began; for workers with irregular income or piece workers, must have at least 180 days of covered employment with earnings of at least six times the BPC in the 12 months before unemployment began.

The BPC (Base de Prestaciones y Contribuciones), an index that is adjusted annually to calculate taxation, income and social benefits, is 4,154 pesos (4,519 pesos as of January 2020).

Rural workers paid monthly must have at least 360 days months of covered employment in the 24 months before unemployment began; rural workers paid at irregular intervals must have at least 360 days of covered employment, including at least 250 days of covered employment in the 24 months before unemployment began; rural workers with irregular income must have at least 180 days of covered employment and earnings of at least 12 times the BPC in the 24 months before unemployment began.

Household workers must have been employed and registered with the Social Insurance Bank for at least six months (180 days) in the 12 months before unemployment began (if paid monthly); for at least six months with 150 days of work in the 12 months before unemployment began or, failing that, at least 360 days of covered employment with 250 days of work in the 24 months before unemployment began (if paid daily or hourly); or six months (180 days) of covered employment with earnings of at least six BPC in the 12 months before unemployment or, failing that, 360 days of covered employment 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 for a temporary reduction in working time of at least 25% relative to the usual working time.

Dependent's supplement: Paid for a spouse or cohabiting partner, children younger than age 21 (no age limit if disabled), and certain other dependents with disabilities. Eligible dependents must not have monthly income exceeding 4,154 pesos (4,519 pesos as of January 2020).

There is a 12-month waiting period before a new claim for unemployment benefits can be made.

**Special unemployment benefit (Subsidio Especial por Inactividad Compensada):** Must be aged 58 or older, have at least 28 years of contributions to the Social Insurance Bank, be involuntarily unemployed for at least one year, not be receiving any other social insurance or social assistance benefit other than survivor benefits, and must meet certain residency requirements after ceasing employment.

The special unemployment benefit is payable abroad.

### Unemployment Benefits

**Unemployment benefit (Subsidio por Desempleo):** A sequence of monthly payments of 66%, 57%, 50%, 45%, 42%, and 40% of the insured's average monthly earnings is paid to workers paid monthly or at irregular intervals; a sequence of monthly payments of 16, 14, 12, 11, 10, and nine days of the insured's average earnings is paid to workers who are paid daily.

Average earnings are based on the insured's earnings in the six months before unemployment began.

Partial unemployment benefit: For worker paid monthly, the benefit is the insured's average monthly earnings in the six months before partial unemployment minus the value of the insured's current monthly earnings. For workers who are paid daily, 12 days of the employee's earnings before unemployment is paid.

Benefits are paid for up to six months (up to one year for workers aged 50 or older; may be extended for an additional year under certain conditions).

The minimum monthly unemployment benefit is 5,122.30 pesos (5,574.33 pesos as of January 2020).

The maximum monthly unemployment benefit is 56,246 pesos (61,329.58 pesos as of January 2020).

Dependent's supplement: 20% of the unemployment benefit is paid.

**Special unemployment benefit (Subsidio Especial por Inactividad Compensada):** 40% of the insured's average gross monthly earnings in the six months before unemployment began is paid for up to two years.

The minimum monthly special unemployment benefit is 4,154 pesos (4,519 pesos as of January 2020).

The maximum monthly special unemployment benefit is 33,232 pesos (36,152 pesos as of January 2020).

### Administrative Organization

Ministry of Labor and Social Security (<https://www.mtss.gub.uy/>) provides general supervision.

Social Insurance Bank (<http://www.bps.gub.uy/>) administers the program.

## Family Allowances

### Regulatory Framework

**First law:** 1943 (family allowances).

**Current laws:** 1980 (family allowances), implemented in 1981; 1995 (social security for low-income families); 2002 (multiple pregnancies); 2007 (equity in family allowances), implemented in 2008; and 2012 (benefit calculation).

**Type of program:** Employment-related and social assistance system.

Note: A portion of the contributions to the social insurance system for old age, disability, and survivors benefits finances the employment-related family allowance benefits. However, there is no direct link between the contributions and entitlement to these benefits.

### Coverage

**Employment related:** Private-sector employees in industry and commerce, rural workers, construction workers, household workers, persons receiving sickness, unemployment, or maternity benefits, small rural products vendors, pensioners, and persons receiving social assistance old-age, disability, and survivors benefits.

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) or its partner organizations.

### Source of Funds

#### Insured person

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

*Social assistance:* None.

#### Self-employed person

*Employment related:* Not applicable.

*Social assistance:* None.

#### Employer

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

*Social assistance:* None.

#### Government

*Employment related:* Finances any deficit.

*Social assistance:* The total cost.

### Qualifying Conditions

**Family allowance (Asignación Familiar, employment related, income tested):** Paid for children younger than age 14 (age 18 if in secondary education, no limit if disabled). The allowance 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:** The full benefit is paid with total monthly household income up to 33,445.96 pesos. A reduced benefit is paid with monthly household income from 33,445.97 pesos to 55,755.26 pesos (two children); 61,330.78 pesos (three children); 66,906.31 pesos (four children); or 72,481.83 pesos (five children or more).

**Multiple birth allowance (Asignación Prenatal por Embarazo Gemelar Múltiple, employment related, income tested):** Paid to a pregnant woman expecting more than two children from the day the pregnancy is confirmed, independently of her employment status. Must provide a medical certificate.

**Income test:** The full allowance is paid with total monthly household income up to 33,445.96 pesos; a reduced allowance is paid with monthly household income from 33,445.97 pesos to 83,614.90 pesos.

**Special allowances (Ayuda Extraordinaria, employment related and social assistance):** Paid for persons with disabilities to help meet the cost of transportation and certain rehabilitation services. 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 younger than age 14 if in primary school, age 16 if the child could not finish primary school for justified reasons, or age 18 if in secondary 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 education requirements are waived for children with disabilities). The benefit cannot be combined with other family benefits.

### Family Allowance Benefits

**Family allowance (Asignación Familiar, employment related, income tested):** The monthly allowance amount varies depending on household income and family composition. 74% of the UR is paid for each eligible child to families with monthly earnings below 33,445.96 pesos; 37% of the UR for each child to families with monthly earnings from 33,445.96 pesos to 72,481.83 pesos.

The UR (Unidad Rejustable), an index that is adjusted monthly based on changes in the average wage index



## Uruguay

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(Índice Medio de Salarios) in the previous year, is 1,198.59 pesos (1,198.78 pesos as of January 2020).

The family allowance is doubled for children with disabilities.

Schedule of payments: The family allowance is paid every two months.

**Multiple birth allowance (Asignación Prenatal por Embarazo Gemelar Múltiple, employment related, income tested):** For a multiple birth, the family allowance is paid at three times the standard rate until the eligible 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.

Schedule of payments: The multiple-birth allowance is paid every two months.

**Special allowances (Ayuda Extraordinaria, employment related and social assistance):** A monthly allowance of 2,696.62 pesos is paid for transportation costs and 5,829.01 pesos for rehabilitation costs (January 2020). Benefits are paid directly to the organizations providing transportation and rehabilitation services.

Benefit adjustment: Benefits are adjusted every six months; the special allowance for rehabilitation annually.

**Vulnerable family allowance (Plan de Equidad, social assistance, means tested):** A monthly benefit is paid depending on the number of beneficiaries per family, their age, and disability status.

A fixed monthly benefit of 1,615.23 pesos is paid for each child enrolled full time in INAU activities (1,757.21 pesos as of January 2020); and 2,536.12 pesos for each beneficiary with a physical or mental disability (2,510.32 pesos as of January 2020).

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 annually based on changes in the consumer price index and an adjustable reference unit (Unidad Reajutable) set by decree.

### **Administrative Organization**

Social Insurance Bank (<http://www.bps.gub.uy/>) administers the programs.

Ministry of Social Development (<http://www.mides.gub.uy/>) jointly administers the special allowances and vulnerable family allowances.



## Venezuela

Exchange rate: US\$1.00 =  
6,346.65 bolívares soberanos.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1940 (social insurance).

**Current laws:** 1995 (minimum pension), 2002 (social security system), 2011 (social assistance), 2012 (social security), 2012 (social insurance), and 2014 (public-sector employees).

**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.

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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

The insured person's contributions also finance cash sickness and maternity benefits, and medical benefits.

Contributions are paid weekly.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 13% of monthly declared earnings.

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

Contributions are paid weekly.

**Social assistance:** None.

#### Employer

**Social insurance:** From 9% to 11% of monthly covered payroll for private-sector workers, depending on the assessed degree of risk; 4% of monthly 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

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

Contributions are paid weekly.

**Social assistance:** None.

#### Government

**Social insurance:** At least 1.5% of total monthly covered earnings for administrative costs; finances any deficit; contributes as an employer.

The government's contributions also finance cash sickness and maternity benefits, and medical benefits.

**Social assistance:** The total cost.

#### Qualifying Conditions

##### Old-age pension (Pensión por Vejez, 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). The normal retirement age is lower for those who perform unhealthy and arduous work.

If the insured has less than 750 weeks of contributions, he or she may continue to contribute until reaching 750 weeks or claim an old-age settlement.

Deferred pension: The pension may be deferred.

The old-age pension is payable abroad.

**Old-age settlement (Indemnización Única por Vejez, 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) and a resident of Venezuela for the last 10 years.

Income test: Monthly household income must be below the legal monthly minimum wage.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

**Disability pension (Pensión por Invalidez, social insurance):** Must be assessed with at least a 66.7% permanent or prolonged loss of work 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.

**Constant-attendance supplement (Gran invalidez):** Paid if the insured requires the constant attendance of others to perform daily functions.

**Partial disability:** Must be assessed with a 25% to 66.6% permanent or prolonged loss of work capacity and meet the contribution requirements for the total disability pension.

The disability pension cannot be combined with a cash sickness benefit (see Sickness and Maternity).

**Disability grant (Indemnización Única por Invalidez, social insurance):** Must be assessed with at least a 66.7% permanent or prolonged loss of work 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 the disability pension.

**Survivor pension (Pensión por Sobreviviente, 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 (any age if disabled); and unmarried orphans 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.

**Survivor settlement (Indemnización Única por Sobreviviente, 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 (Asignación Funeraria de Sepelio, 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 (Pensión por Vejez, social insurance):** 100% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

**Deferred pension:** The old-age pension is increased by 5% for each year of deferral after the normal retirement age.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

**Benefit adjustment:** Benefits are adjusted periodically based on changes in the legal monthly minimum wage.

**Old-age settlement (Indemnización Única por Vejez, social insurance):** A lump sum of 10% of the insured's total covered earnings is paid.

**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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

**Benefit adjustment:** Benefits are adjusted periodically based on changes in the legal monthly minimum wage.

### **Permanent Disability Benefits**

**Disability pension (Pensión por Invalidez, social insurance):** 100% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

**Constant-attendance supplement (Gran invalidez):** Up to 50% of the disability pension is paid.

**Partial disability:** A percentage of the full disability pension is paid based on the assessed loss of work capacity.

**Benefit adjustment:** Benefits are adjusted periodically based on changes in the legal monthly minimum wage.

**Disability grant (Indemnización Única por Invalidez, social insurance):** A lump sum of 10% of the insured's total covered earnings is paid.

### **Survivor Benefits**

**Survivor pension (Pensión por Sobreviviente, 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

**Benefit adjustment:** Benefits are adjusted periodically based on changes in the legal monthly minimum wage.

**Survivor settlement (Indemnización Única por Sobreviviente, social insurance):** A lump sum of 10% of the deceased's total covered earnings is paid.

**Funeral grant (Asignación Funeraria de Sepelio, social insurance):** A lump sum is paid.

## Administrative Organization

Ministry of the People's Power for the Social Process of Labor (<http://www.mpppst.gob.ve/>) provides general supervision.

Venezuelan Social Insurance Institute (<http://www.ivss.gov.ve/>), managed by a tripartite board and president, collects contributions and administers the programs.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1940 (social insurance).

**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), 2012 (social security), and 2018 (universal maternity protection).

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

### Coverage

**Universal:** Pregnant women who are citizens of Venezuela.

**Social insurance:** Public- and private-sector employees; members of cooperatives; household, seasonal, and casual workers; persons receiving old-age, disability, or survivor benefits, and certain unemployed persons and their dependents (medical benefits only).

### Source of Funds

#### Insured person

*Universal:* None.

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

#### Self-employed person

*Universal:* None.

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

#### Employer

*Universal:* None.

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

## Government

*Universal:* The total cost.

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

## Qualifying Conditions

**Cash sickness, maternity, and paternity benefits (social insurance):** There is no minimum qualifying period.

**Birth grant (Bono Parto Humanizado, Plan Nacional Parto Humanizado, universal):** Paid to a mother upon the birth of a child.

**Medical benefits (Plan Nacional Parto Humanizado, universal):** There is no minimum qualifying period.

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

Eligible dependents include a wife or female partner who has lived in the same household with the primary insured for at least one year, is pregnant, or has a common child with the primary insured; a disabled husband; unmarried children or orphaned siblings up to age 18 (no limit if disabled); and a dependent mother or dependent and disabled father.

## Sickness and Maternity Benefits

**Sickness benefit (Indemnización Diaria por Incapacidad Temporal, social insurance):** 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 not hospitalized.

**Maternity benefit (Permiso de Maternidad, social insurance):** 100% of the insured's last monthly 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 (Licencia de Paternidad, social insurance):** 100% of the insured's last earnings is paid for 14 days immediately after the date of childbirth or the date of placement for the adoption of a child younger than age 3.

**Birth grant (Bono Parto Humanizado, Plan Nacional Parto Humanizado, universal):** A lump sum of 100,000 bolívares soberanos is paid (October 2019).

## Workers' Medical Benefits

**Medical benefits (Plan Nacional Parto Humanizado, universal):** Benefits include free pre-natal, natal, and post-natal care.

**Medical benefits (social insurance):** 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 (Plan Nacional Parto Humanizado, universal):** Dependents are covered in their own right.

**Medical benefits (social insurance):** Benefits for dependents (and survivors) are the same as those for the insured. Pensioners' dependents receive medical benefits for up to 26 weeks.

### **Administrative Organization**

Ministry of the People's Power for the Social Process of Labor (<http://www.mpppst.gob.ve/mpppstweb/>) provides general supervision.

Venezuelan Social Insurance Institute (<http://www.ivss.gob.ve/>), managed by a tripartite board and director general, administers the programs.

## **Work Injury**

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### **Regulatory Framework**

**First law:** 1940 (social insurance).

**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.

Special system for military personnel.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** No information available.

**Employer:** 0.75% to 10% of covered payroll, depending on 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 last monthly 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 (Pensión por Invalidez):** 100% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

**Constant-attendance supplement (Gran invalidez):** 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 work capacity of 26% to 66.6%, a percentage of the full permanent disability pension is paid based on the assessed loss of working capacity. For an assessed permanent or prolonged loss of work capacity of 5% to 25%, a lump sum 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 (Pensión por Sobreviviente):** 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

**Funeral grant (Asignación Funeraria de Sepelio):** A lump sum is paid.



## Administrative Organization

Ministry of the People's Power for the Social Process of Labor (<http://www.minpppst.gob.ve/>) provides general supervision.

National Institute for Prevention, Health, and Security at Work (INPSASEL) administers the program and collects contributions.

## 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 monthly 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

The insured person's contributions also finance medical benefits for unemployed persons under Sickness and Maternity.

**Self-employed person:** 2.5% of monthly 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 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

The self-employed person's contributions also finance medical benefits for unemployed persons under Sickness and Maternity.

**Employer:** 2% of monthly 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 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

The employer's contributions also finance medical benefits for unemployed persons under Sickness and Maternity.

**Government:** Finances any deficit; contributes as an employer; may subsidize up to 50% of contributions for low-income insured persons.

### Qualifying Conditions

**Unemployment benefit (Prestación Dineraria por Pérdida Involuntaria del Empleo):** Must have at least 12 months of contributions in the 24 months before unemployment began, be involuntarily unemployed or have an involuntary loss of income, and be available for training or suitable employment.

### Unemployment Benefits

**Unemployment benefit (Prestación Dineraria por Pérdida Involuntaria del Empleo):** 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 the Social Process of Labor (<http://www.mpppst.gob.ve/mpppstweb/>) provides general supervision.

Employment services administer training and guidance.

Venezuelan Social Insurance Institute (<http://www.ivss.gob.ve/>), managed by a tripartite board and director general, administers the program and collects contributions.

## 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):** 100% of the legal monthly minimum wage is paid a month.

The legal monthly minimum wage is 40,000 bolívares soberanos (April 2019, increasing to 150,000 bolívares soberanos as of October 2019).

### ***Administrative Organization***

Ministry of the People's Power for the Social Process of Labor (<http://www.mpppst.gob.ve/>) provides general supervision.

Employers pay the food cash transfer directly to employees.