

Social Security Programs Throughout the World: Europe, 2002

This publication is substantially based on information collected and summarized by the International Social Security Association.

Social Security Administration
Office of Policy
Office of Research, Evaluation, and Statistics



Preface

This issue marks a significant change in *Social Security Programs Throughout the World*, which the Social Security Administration (SSA) first published 65 years ago. The report is now divided into a four-volume series and will be published at 6-month intervals over the next 2 years. Each volume will be dedicated to one of four geographic regions: Europe, Asia and the Pacific, the Americas, and Africa.

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 needs of the aged, the disabled, survivors, the poor, and others. These efforts are particularly important as each nation faces major demographic changes, especially the increasing number of aged, as well as economic and fiscal issues.

Social Security Programs Throughout the World is the product of a cooperative effort between SSA and the International Social Security Association (ISSA). ISSA, founded in 1927, is a nonprofit international organization bringing together institutions and administrative bodies from countries throughout the world. ISSA deals with all forms of compulsory social protection that by legislation or national practice are an integral part of the countries social security systems.

For the first time, the research and writing has been contracted out to ISSA. ISSA has conducted the research largely through its numerous country-based correspondents, as well as its Social Security Worldwide Database and a myriad of other types of data that must be drawn together to update this report. Members of ISSA's Information System and Database Unit analyzed the information and revised the publication to reflect detailed changes to each social security program. *Social Security Programs Throughout the World* is based on information available to ISSA and SSA with regard to legislation in effect at the beginning of 2002, or the last date for which information has been received.

Questions about the report should be sent to Barbara Kritzer at 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 is available at www.ssa.gov/policy. For additional copies, please telephone 202-358-6274 or e-mail ores.publications@ssa.gov.

SSA staff members were responsible for technical and editorial assistance and production. Barbara Kritzer served as technical consultant and provided overall project management, and Alexander Estrin was responsible for specific aspects of the contractual process. Emil Loomis designed the report and, with the assistance from Karyn Tucker and Karen Morris, produced it for publication. Sherry Snyder edited the report, with assistance from Celine Houget. Laurie Brown prepared the Web versions of this publication.

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Guide to Reading the Country Summaries

This edition of *Social Security Programs Throughout the World* marks a significant break with previous editions. It now comprises four separate volumes—Europe, Asia and the Pacific, Africa, and the Americas—that will be published on a rolling basis between September 2002 and March 2004. The combined findings of this report highlight the principal features of social security programs throughout the world. This guide serves as an overview of programs in all four regions. A few political jurisdictions have been excluded because they have no social security system or have issued no information regarding their social security legislation. In this volume on Europe, the data reported are based on laws and regulations in force at the beginning of 2002 or on the last date for which information has been received.¹ 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 16.

The country summaries show each system's major features. 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. Benefit arrangements of private employers or individuals are not described in any detail, even though such arrangements may be mandatory in some countries or available as alternatives to statutory programs.

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. The terminology may therefore differ from national concepts or usage.

Sources of Information

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

¹ The names of the countries in this report are those used by the U.S. Department of State. The term *country* has been used throughout the volume even though in some instances the term *jurisdiction* may be more appropriate.

(ISSA) under the sponsorship of the U.S. Social Security Administration (SSA). This information was supplemented by data collected from the ISSA's Developments and Trends Annual Survey. Empirical data were also provided by numerous social security officials throughout the world. (For a listing of countries and jurisdictions, see page 2.) Important sources of published information include the ISSA Documentation Center; the legislative database of the International Labour Office; and official publications, periodicals, and selected documents received from social security institutions. Information was also received from the Organization for Economic Cooperation and Development, the European Communities, the World Bank, and the International Monetary Fund. 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.

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

European Countries that Responded to the Social Security Programs Throughout the World Survey

| | | |
|----------------|---------------|-----------------|
| Albania | Guernsey | Norway |
| Andorra | Hungary | Poland |
| Austria | Iceland | Portugal |
| Belarus | Ireland | Romania |
| Belgium | Isle of Man | Russia |
| Bulgaria | Italy | San Marino |
| Croatia | Jersey | Serbia |
| Cyprus | Latvia | Slovak Republic |
| Czech Republic | Liechtenstein | Slovenia |
| Denmark | Lithuania | Spain |
| Estonia | Luxembourg | Sweden |
| Finland | Malta | Switzerland |
| France | Moldova | Ukraine |
| Germany | Monaco | United Kingdom |
| Greece | Netherlands | |

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, or demogrant, 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 sufficient residency. Universal programs may include old-age pensions for persons over a certain age; pensions for disabled workers, widow(er)s, and orphans; and family allowances. Most social security systems incorporating a universal program also have a second-tier earnings-related program. Some universal programs, although receiving substantial support from income taxes, are also financed in part by contributions from workers and employers.

Means-Tested

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

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

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

In this report, when national means-tested programs supplement an employment-related benefit, the existence of a means-tested program is generally noted, but no details concerning it are given. When a means-tested

program represents the only or principal form of social security, however, further details are provided.

Other Types of Programs

Three other types of programs are mandatory private insurance, publicly operated provident funds, and employer-liability systems.

Mandatory Private Insurance. This type of coverage may have been introduced to substitute for, or to complement, social insurance systems that are mainly pay-as-you-go (PAYG). Private insurance is funded either through mandatory employee contributions or a combination of mandatory employee and employer contributions. Contributions are assigned to an employee's individual account. The employee must pay administrative fees for the management of the private account and usually purchase a separate policy for disability and survivors insurance.

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 out in the form of a lump sum with accrued interest, although in certain circumstances draw-down 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 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 discusses five types of programs:

- 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 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 in order 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, below.)

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 (or demogrant) 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 aliens 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 members of the armed forces, 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, domestics, 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 funds 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.

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

In a number of developing countries, particularly in those that were once British colonies, this initial step has come via the institutional form of provident funds. Most provident funds provide coverage for wage and salary workers in the government 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 and demogrant 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 whole cost of a program. Subsidies may be provided as a lump sum or an amount to make up the difference between employer/employee contributions and the total cost of the system.

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

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

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

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

Qualifying Conditions. Qualifying to receive an old-age benefit is usually conditional on two requirements: attainment of a specified 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. Reflecting public pressure to lower the age limits, a major policy issue in the 1970s and 1980s was the age at which retirement benefits first become payable. More recently, several countries have increased the age limit for entitlement, due, in part, to budgetary constraints.

Many programs require the same pensionable age for women as for men. Others permit women to draw a full pension at an earlier age, even though women generally have a longer life expectancy. Although the norm has been for the differential to be about 5 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 5 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 rearing, 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 3 to 5 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 mandatory 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 countries have opted to use wage classes rather than actual earnings. The wage classes may be based on occupations or, for administrative convenience, on earnings arranged by size using the midpoint in each step to compute the benefit.

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

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

weighted benefit formula that returns a larger percentage of earnings to lower-paid workers than to higher-paid workers.

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

Most systems supplement the benefit for a wife or child. The wife's supplement may be 50 percent or more of the basic benefit, although in some countries the supplement is payable only for a wife who has reached a specified age, has children in her care, or is disabled. 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 Benefit. 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 the totally disabled, a constant-attendance supplement, usually 50 percent of the benefit, may be paid to those who need help on a daily basis. Partial disability benefits, if payable, are usually reduced, according to a fixed scale. The system may also provide rehabilitation and training. Some countries provide higher benefits for workers in arduous or dangerous employment.

Survivor Benefit. 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 are disabled.

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 is disabled. Most widows' benefits also terminate on remarriage, although a final lump-sum grant may be payable under this circumstance. Special provisions govern the rights of the divorced. Age limits for orphan's benefits are in many cases the same as for children's allowances. Many countries fix a somewhat higher age limit for orphans attending school or undergoing an apprenticeship or for those who are incapacitated. The age limit is usually removed for disabled orphans 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. A widower usually 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 divided among survivors is usually between 80 percent and 100 percent of the benefit of the deceased.

Administrative Organization. Responsibility for administration generally 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 a few 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.)

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

An important reason for grouping these numerous benefits together is that each deals with the risk of temporary incapacity. Moreover, in most instances, such benefits are furnished as part of a single system with common financing and administration. Most countries provide medical care services for sickness and maternity as an integral part of the health insurance system and link those services directly with the provision of cash benefits. In some instances, however, maternity cash grants are covered under family allowance programs. Occasionally, 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 insurance extends only to employees in certain geographic areas. A common procedure is to start the program in major urban centers, then extend coverage gradually to other areas. Both cash sickness and health care programs may exclude agricultural workers, who, in some countries, account for a major proportion of the working population. Where a health insurance system (as distinguished from a national health service program) exists, most workers earning below a certain ceiling participate on a compulsory basis. Others, such as the self-employed, may be permitted to affiliate on a voluntary basis. In several countries, higher-paid employees are specifically excluded from one or both forms of sickness insurance, although some voluntary participation is usually permitted.

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

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

Source of Funds. Many countries have merged the financing of sickness programs with that of other social insurance benefits and collect only a single contribution from employees and employers. More commonly, however, a fixed percentage of wages, up to a ceiling, is contributed by employees and employers directly to a separate program that administers 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 1 month to 6 months or more and is ordinarily somewhat longer for cash maternity benefits. Usually the period must be fairly recent, such as during the last 6 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 2 to 7 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 2 to 3 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.

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 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 6 weeks before the expected date of childbirth and end 6 to 8 weeks afterward.

A nursing allowance—usually 20 percent or 25 percent of the regular maternity benefit and payable for up to 6 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 new-born 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 medicines, 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 on the basis of 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 per 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 spouse and young children (and, in some cases, other adults or young relatives living with and dependent on the insured). Maternity care is generally provided to the wife of an insured man.

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

Administrative Organization. The administrative organization for the sickness and maternity program is

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

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

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

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

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

Work Injury

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

Types of Systems. There are two basic types of work injury systems: social insurance systems that use a public fund, and various forms of private or semiprivate

arrangements required by law. In most countries, work injury programs operate through a central public fund, which may or may not be part of the general social insurance system. All employers subject to the program must pay contributions to the public carrier, which in turn pays the benefits.

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

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

In other instances, workers' compensation laws simply impose on employers a liability to pay direct compensation to injured workers or their survivors. Employers covered under such laws may simply pay benefits from their own funds as injuries occur or may voluntarily purchase a private or mutual insurance contract to protect themselves against risk.

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

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

Work Injury Benefits. Work injury programs provide cash benefits and medical benefits. Cash benefits under work injury programs may be subdivided into three types: benefits for temporary disability, those for permanent total disability, and those for permanent partial disability. No qualifying period of coverage or employment is

ordinarily required for entitlement to work injury benefits. The concept of work-connected injury has gradually been liberalized in a number of countries to cover injuries occurring while commuting to and from work.

Temporary disability benefits are usually payable from the start of an incapacity caused by a work injury, though some programs require a waiting period of 1 to 3 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 equal to several years' 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 equal to a portion of the full benefit corresponding to the percentage loss of capacity. Alternatively, permanent partial disability benefits may be paid in the form of a

lump-sum grant. Partial disability payments are generally smaller and are usually stipulated in a schedule of payments for particular types of injuries. Some systems pay the benefit as a lump sum when the extent of disability is below a stated percentage, such as 20 percent.

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

Survivor Benefits. Most work injury programs also provide benefits to survivors. These benefits are customarily payable to a widow, regardless of her age, until her death or remarriage; to a disabled widower; and to orphans below specified age limits. If the benefit is not exhausted by the immediate survivors' claims, dependent parents or other relatives may be eligible for small benefits. No minimum period of coverage is required.

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

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

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

Unemployment

Benefits in this category provide compensation for the loss of income resulting from involuntary unemployment. In some countries, these programs are independent of

other social security measures and may be closely linked with employment services. In other countries, the unemployment programs are included with social security measures covering other short-term risks, although employment services may continue to verify unemployment and assist in a job search.

Unemployment programs, which exist mainly in industrialized countries, are compulsory and fairly broad in scope in many countries. Some 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. 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. Noninsured 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 6 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 unemployment benefits and placement services ensures that benefits will be paid only after the person has been informed of any current job opportunities and been found unsuitable.

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

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

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

75 percent of average earnings. However, a ceiling on the wages used for benefit computations or maximum benefit provisions may considerably narrow the range within which the basic percentage of wages applies.

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

Most countries have a waiting period of several days before unemployment benefits become payable to reduce the administrative burden of dealing with a very large number of small claims. Most waiting periods are between 3 and 7 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 8 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 persons to register with a local employment office, but the receipt of claims and payment of benefits are handled by a separate insurance office.

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

Family Allowances

The general purpose of family allowance programs is to provide additional income for families with young children in order 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, 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.

Types of Systems and Coverage. Family allowance programs are of two types: universal and employment-related. 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, the self-employed. A few systems cover some categories of nonemployed persons as well. 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.

Source of Funds. The differences in family allowance programs are reflected in the methods used for financing. In universal systems, the entire cost is usually covered by general revenue. 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 disabled children, many countries extend the age limit beyond that for continued education or pay allowances indefinitely.

Benefits. Whether a program pays a uniform rate for all children or an increasing or decreasing amount for each additional child may reflect the history or the intent of the program. The allowance structure may vary, for example, depending on whether the primary intent is to provide assistance or stimulate population growth. The allowance in most countries is a uniform amount for every child, regardless of the number of children in a family. 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 per 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 available to all families and financed from general revenues, the program is usually administered by a government department. 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 in inducing employers to discriminate in hiring workers with children.

Table 1.
Types of social security programs

| Country | Old age, disability, survivors | Sickness and maternity | | Work injury | Unemployment | Family allowances |
|----------------|--------------------------------------|------------------------------|--|----------------|--------------|----------------------|
| | | Cash benefits for both | Cash benefits plus medical care ^a | | | |
| Albania | X | X | X | X | X | X |
| Andorra | X | X | X | X | b | b |
| Austria | X | X | X | X | X | X |
| Belarus | X | X | X | X | X | X |
| Belgium | X | X | X | X | X | X |
| Bulgaria | X | X | X | X | X | X |
| Croatia | X | X | X | X ^b | X | X |
| Cyprus | X | X | X | X | X | X |
| Czech Republic | X | X | X | X | X | X |
| Denmark | X | X | X | X | X | X |
| Estonia | X | X | X | X | X | X |
| Finland | X | X | X | X | X | X |
| France | X | X | X | X | X | X |
| Germany | X | X | X | X | X | X |
| Greece | X | X | X | X | X | X |
| Guernsey | X | X | X | X | X | X |
| Hungary | X | X | X | X | X | X |
| Iceland | X | X | X | X | X | X |
| Ireland | X | X | X | X | X | X |
| Isle of Man | X | X | X | X | X | X |
| Italy | X | X | X | X | X | X |
| Jersey | X | X | X | X | X | X |
| Latvia | X | X | X | X | X | X |
| Liechtenstein | X | X | X | X | X | X |
| Lithuania | X | X | X | X | X | X |
| Luxembourg | X | X | X | X | X | X |
| Malta | X | X | None | X | X | X |
| Moldova | X | X | X | X | X | X |
| Monaco | X | X | X | X ^c | d | X |
| Netherlands | X | X | X | X ^b | X | X |
| Norway | X | X | X | X | X | X |
| Poland | X | X | X | X | X | X |
| Portugal | X | X | X | X | X | X |
| Romania | X | X | X | X | X | X |
| Russia | X | X | X | X | X | X |

(Continued)

Table 1.
Continued

| Country | Old Age, disability, survivor | Sickness and maternity | | Work injury | Unemployment | Family allowances |
|-----------------|-------------------------------|------------------------|--|-------------|--------------|-------------------|
| | | Cash benefits for both | Cash benefits plus medical care ^a | | | |
| San Marino | X | X | X | X | e | e |
| Serbia | X | X | X | X | X | X |
| Slovak Republic | X | X | X | X | X | X |
| Slovenia | X | X | X | X | X | X |
| Spain | X | X | X | X | X | X |
| Sweden | X | X | X | X | X | X |
| Switzerland | X | X | X | X | X | X |
| Ukraine | X | X | X | X | X | X |
| United Kingdom | X | X | X | X | X | X |

SOURCE: Based on information in the country summaries in this volume.

- a. Coverage is provided for medical care, hospitalization, or both.
- b. Coverage is provided under other programs or through social assistance.
- c. Mandatory private insurance.
- d. Coverage is provided through France's program.
- e. Not available.

Table 2.
Types of mandatory systems for retirement income

| Country | Flat-rate | Earnings-related | Means-tested | Flat-rate universal | Provident funds ^a | Occupational retirement schemes | Individual retirement schemes |
|----------------|----------------|------------------|--------------|---------------------|------------------------------|---------------------------------|-------------------------------|
| Albania | X ^b | X ^b | | | | | |
| Andorra | | X | | | | | |
| Austria | | X | | | | | |
| Belarus | | X | X | | | | |
| Belgium | | X | X | | | | |
| Bulgaria | | X | X | | | | X |
| Croatia | | X | | | | | X |
| Cyprus | | X | X | | | | |
| Czech Republic | X ^b | X ^b | | | | | |
| Denmark | | | X | | | | X |
| Estonia | X ^b | X ^b | | | | | X |
| Finland | | | X | | | X | |
| France | | X | X | | | X | |
| Germany | | X | | | | | |
| Greece | | X | | | | | |
| Guernsey | X | | | | | | |
| Hungary | | X | | | | | X ^c |
| Iceland | | | X | | | X | |
| Ireland | X | | X | | | | |
| Isle of Man | X | X | X | | | | |
| Italy | | X | X | | | | |
| Jersey | X | | | | | | |
| Latvia | | X | X | | | | X |
| Liechtenstein | | X | | | | X | |
| Lithuania | X ^b | X ^b | | | | | |
| Luxembourg | X ^b | X ^b | | | | | |
| Malta | X ^d | X | | | | | |
| Moldova | | X | X | | | | |
| Monaco | | X | | | | | |
| Netherlands | X | | | | | | |
| Norway | X | X | | | | | |
| Poland | X ^b | X ^{b,e} | | | | | X ^e |
| Portugal | | X | X | | | | |
| Romania | | X | | | | | |
| Russia | X ^b | X ^b | | X | | | |
| San Marino | | X | | | | | |
| Serbia | | X | | | | | |

(Continued)

Table 2.
Continued

| Country | Flat-rate | Earnings-related | Means-tested | Flat-rate universal | Provident funds ^a | Occupational retirement schemes | Individual retirement schemes |
|-----------------|----------------|------------------|--------------|---------------------|------------------------------|---------------------------------|-------------------------------|
| Slovak Republic | | X | X | | | | |
| Slovenia | | X | | | | | |
| Spain | | X | | | | | |
| Sweden | | X | X | | | | X |
| Switzerland | X ^b | X ^b | X | | | X | |
| Ukraine | | X | X | | | | |
| United Kingdom | X | X | X | | | | |

SOURCE: Based on information in the country summaries in this volume.

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

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

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

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

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

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

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

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

- No country in Europe has provident funds. The column is in this table to facilitate comparisons with countries in other regions.
- The benefit formula contains a flat-rate component as well as an earnings-related element.
- Persons who became insured before June 30, 1998, or who became insured after this date but before reaching the age of 42 years, can choose between the earnings-related system or the mixed system of the earnings-related pension and private insurance.
- Flat-rate benefits are awarded to those who paid contributions before January 22, 1979.
- The old system contains a flat-rate component as well as an earnings-related element. The new system includes an earnings-related notional defined contribution (NDC) scheme and private mandatory insurance.

Table 3.
Demographic and other statistics related to social security, 2002

| Country | Total population (millions) | Percentage 65 or older | Dependency ratio ^a | Life expectancy at birth | | Statutory pensionable age | | Early pensionable age ^b | | GDP per capita (U.S. \$) |
|----------------|-----------------------------|------------------------|-------------------------------|--------------------------|-------|---------------------------|-------|------------------------------------|-------|--------------------------|
| | | | | Men | Women | Men | Women | Men | Women | |
| Albania | 3.1 | 5.8 | 56.7 | 70.2 | 76.1 | 60 | 55 | c | c | 3,189 |
| Andorra | 0.07 | 12.7 | 38.7 | 80.5 | 86.5 | 65 | 65 | c | c | 18,000 |
| Austria | 8.1 | 15.4 | 47.7 | 74.7 | 80.9 | 65 | 60 | 61.5 | 56.5 | 25,089 |
| Belarus | 10.2 | 13.1 | 48.1 | 62.8 | 74.4 | 60 | 55 | c | c | 6,876 |
| Belgium | 10.2 | 16.8 | 52.2 | 75.0 | 81.3 | 65 | 62 | 60 | 60 | 25,443 |
| Bulgaria | 8.0 | 16.0 | 47.4 | 67.1 | 74.8 | 61.5 | 56.5 | c | c | 5,071 |
| Croatia | 4.7 | 13.8 | 47.2 | 69.6 | 77.6 | 62 | 57 | 57 | 52 | 7,387 |
| Cyprus | 0.8 | 11.4 | 53.8 | 75.7 | 80.2 | 65 | 65 | c | c | 19,006 |
| Czech Republic | 10.3 | 13.7 | 43.8 | 71.2 | 78.0 | 61 | 59 | 58 | 56 | 13,018 |
| Denmark | 5.3 | 15.0 | 49.4 | 73.6 | 78.6 | 67 | 67 | 60 | 60 | 25,869 |
| Estonia | 1.4 | 14.1 | 47.9 | 64.8 | 75.8 | 63 | 58 | c | c | 8,355 |
| Finland | 5.2 | 14.8 | 49.4 | 73.7 | 81.0 | 65 | 65 | 60 | 60 | 23,096 |
| France | 59.0 | 15.8 | 53.1 | 74.5 | 82.3 | 60 | 60 | c | c | 22,897 |
| Germany | 82.0 | 16.1 | 46.8 | 74.3 | 80.6 | 65 | 65 | c | c | 23,742 |
| Greece | 10.6 | 17.2 | 48.1 | 75.5 | 80.8 | 65 | 65 | 60 | 60 | 15,414 |
| Guernsey | 0.06 | 17.1 | 49.9 | 76.7 | 82.8 | 65 | 65 | c | c | 20,000 |
| Hungary | 10.0 | 14.6 | 46.6 | 66.8 | 75.4 | 62 | 62 | c | c | 11,430 |
| Iceland | 0.3 | 11.6 | 54.0 | 76.8 | 81.4 | 67 | 67 | c | c | 27,835 |
| Ireland | 3.8 | 11.3 | 49.9 | 73.8 | 79.1 | 66 | 66 | c | c | 25,918 |
| Isle of Man | 0.07 | 17.3 | 53.3 | 74.2 | 81.2 | 65 | 60 | c | c | 18,800 |
| Italy | 57.5 | 17.8 | 47.4 | 81.6 | 75.2 | 65 | 60 | c | c | 22,172 |
| Jersey | 0.09 | 14.6 | 47.9 | 76.2 | 81.2 | 65 | 65 | 63 | 63 | 24,800 |
| Latvia | 2.4 | 14.5 | 48.3 | 64.3 | 75.6 | 61.5 | 58.5 | 60 | 56.5 | 6,264 |
| Liechtenstein | 0.03 | 11.0 | 41.6 | 75.3 | 82.6 | 64 | 62 | 60 | 60 | 23,000 |
| Lithuania | 3.7 | 13.1 | 49.4 | 66.5 | 77.0 | 62 | 58 | c | c | 6,656 |
| Luxembourg | 0.4 | 14.3 | 49.2 | 73.9 | 80.4 | 65 | 65 | 57 | 57 | 42,769 |
| Malta | 0.4 | 12.2 | 48.5 | 75.2 | 80.4 | 61 | 60 | c | c | 15,189 |
| Moldova | 4.3 | 9.2 | 49.4 | 62.8 | 70.3 | 62 | 57 | c | c | 2,037 |
| Monaco | 0.03 | 22.5 | 60.6 | 75.0 | 83.1 | 65 | 65 | 60 | 60 | 27,000 |
| Netherlands | 15.8 | 13.6 | 47.0 | 75.3 | 80.7 | 65 | 65 | c | c | 24,215 |
| Norway | 4.4 | 15.5 | 54.5 | 75.4 | 81.3 | 67 | 67 | c | c | 28,433 |
| Poland | 38.6 | 11.9 | 46.6 | 69.0 | 77.3 | 65 | 60 | c | c | 8,450 |
| Portugal | 10.0 | 15.4 | 47.4 | 71.9 | 79.1 | 65 | 65 | 55 | 55 | 16,064 |
| Romania | 22.5 | 13.1 | 46.6 | 66.5 | 73.3 | 65 | 60 | 55 | 55 | 6,041 |
| Russia | 146.2 | 12.3 | 44.9 | 60.1 | 72.5 | 60 | 55 | c | c | 7,473 |
| San Marino | 0.03 | 16.2 | 47.1 | 77.6 | 85.1 | 60 | 60 | c | c | 32,000 |

(Continued)

Table 3.
Continued

| Country | Total population (millions) | Percentage 65 or older | Dependency ratio ^a | Life expectancy at birth | | Statutory pensionable age | | Early pensionable age ^b | | GDP per capita (U.S. \$) |
|---------------------|-----------------------------|------------------------|-------------------------------|--------------------------|-------|---------------------------|-------|------------------------------------|-------|--------------------------|
| | | | | Men | Women | Men | Women | Men | Women | |
| Serbia ^d | 10.6 | 14.9 | 53.1 | 70.5 | 76.6 | 60 | 55 | c | c | 2,300 |
| Slovak Republic | 5.4 | 11.3 | 45.7 | 69.1 | 77.0 | 60 | 60 | c | c | 10,591 |
| Slovenia | 2.0 | 13.6 | 42.8 | 71.5 | 78.9 | 58 | 54 | c | c | 15,977 |
| Spain | 39.9 | 16.7 | 46.4 | 74.8 | 81.9 | 65 | 65 | 61 | 61 | 18,079 |
| Sweden | 8.9 | 17.4 | 56.0 | 77.0 | 82.1 | 65 | 65 | 60 | 60 | 22,636 |
| Switzerland | 7.2 | 15.8 | 48.3 | 75.6 | 82.0 | 65 | 63 | c | c | 27,171 |
| Ukraine | 50.0 | 13.7 | 47.4 | 62.7 | 73.5 | 60 | 55 | c | c | 3,458 |
| United Kingdom | 59.3 | 15.7 | 53.3 | 75.0 | 80.0 | 65 | 60 | c | c | 22,093 |

SOURCES: *Human Development Report 2002*. 2002. Prepared for the United Nations Development Programme. New York: Oxford University Press; U.S. Central Intelligence Agency. 2001. *The World Factbook, 2001*. Washington, D.C.: Central Intelligence Agency. Information on statutory and pensionable ages is taken from the country summaries in this volume.

NOTE: GDP = gross domestic product.

- a. Population aged zero through 14 plus population aged 65 or older, divided by population aged 15-64.
- b. General early pensionable age only; excludes early pensionable ages for specific groups of employees.
- c. The country has no early pensionable age, has one only for specific groups, or information is not available.
- d. Data may be subject to error because of recent armed conflict.

Table 4.
Contribution rates for social security programs, 2002 (in percent)

| Country | Old age, disability, survivors | | | All social security programs ^a | | |
|--------------------------|--------------------------------|----------------------|----------------------|---|-----------------|----------------------|
| | Insured person | Employer | Total | Insured person | Employer | Total |
| Albania | 10 ^b | 26 ^b | 36 ^b | 11.7 | 34.2 | 45.9 ^c |
| Andorra | 2 | 6 | 8 | 7 | 19 | 26 |
| Austria ^d | 10.25 | 12.55 | 22.75 | 17.2 | 25.1 | 42.3 |
| Belarus | 1 ^b | 4.7 ^b | 5.7 ^b | 1 | 5.7 | 6.7 |
| Belgium | 7.5 | 8.86 | 16.36 | 13.07 | 24.87 | 37.94 |
| Bulgaria | 22.25 | 8.75 | 31 | 25.5 | 19.2 | 44.7 ^c |
| Croatia | 13.75 ^e | 5.75 ^e | 19.5 ^e | 23.6 | 14.07 | 37.67 ^c |
| Cyprus ^d | 6.3 ^b | 6.3 ^b | 12.6 ^b | 6.3 | 6.3 | 12.6 ^c |
| Czech Republic | 6.5 | 19.5 | 26 | 12.5 | 35 | 37.5 ^c |
| Denmark ^d | f | f | f | f | f | c,f |
| Estonia | 0 | 20 | 20 | 0 | 33 | 33 ^{c,g} |
| Finland ^d | 4.4 | 16.7 | 21.1 | 6.3 | 20.4 | 26.7 ^{c,g} |
| France ^d | 6.65 | 9.8 | 16.45 | 15.45 | 33.86 | 49.31 |
| Germany ^d | 9.55 | 9.55 | 19.1 | 19.8 | 21.11 | 40.91 ^c |
| Greece ^d | 6.67 | 13.33 | 20 | 11.95 | 23.9 | 35.85 |
| Guernsey ^d | 4.5 ^b | 5.4 ^b | 9.9 ^b | 4.5 | 5.4 | 9.9 ^c |
| Hungary ^d | 8 ^b | 18 ^b | 26 ^b | 12.5 | 32 | 44.5 |
| Iceland | 4 | 11.83 | 15.83 | 4 | 12.98 | 16.98 ^{c,h} |
| Ireland | 6 ^{b,i} | 10.75 ^{b,i} | 16.75 ^{b,i} | 6 ⁱ | 11 ⁱ | 17 ^{c,i} |
| Isle of Man ^d | 10 ^b | 11.9 ^b | 21.9 ^b | 10 | 11.9 | 21.9 ^c |
| Italy ^d | 8.89 | 23.81 | 32.7 | 8.89 | 32.22 | 41.11 |
| Jersey ^d | 5.2 | 5.3 | 10.5 | 6 | 6.5 | 12.5 ^{c,g} |
| Latvia | j | j | 30.86 | 9 | 26.09 | 35.09 ^c |
| Liechtenstein | 4.4 | 4.4 | 8.8 | 6.15 | 8.25 | 14.4 |
| Lithuania | 2.5 | 22.5 | 25 | 3 | 28 | 31 ^c |
| Luxembourg ^d | 8 | 8 | 16 | 15.4 | 13.57 | 28.97 ^c |
| Malta ^d | 10 ^b | 10 ^b | 20 ^b | 10 | 10 | 20 |
| Moldova | 1 ^b | 29 ^b | 30 ^b | 1 | 29 | 30 |
| Monaco ^d | 6.15 ^b | 21.91 ^b | 28.06 ^b | 6.15 | 21.91 | 28.06 |
| Netherlands ^d | 19.15 | 8.9 | 28.05 | 36.05 | 18.75 | 54.8 ^c |
| Norway | 7.8 ^b | 14.1 ^b | 21.9 ^b | 7.8 | 14.1 | 21.9 ^c |
| Poland | 16.26 | 16.26 | 32.52 | 26.46 | 20.88 | 47.34 ^c |
| Portugal | 11 ^b | 23.75 ^b | 34.75 ^b | 11 | 26.75 | 37.75 |
| Romania ^d | 11.66 ^b | 23.34 ^b | 35 ^b | 19.66 | 35.34 | 55 ^c |
| Russia | 0 | 28 ^b | 28 ^b | 0 | 28.2 | 28.2 ^g |
| San Marino | 1.9 ^b | 10 ^b | 11.9 ^b | 5.4 | 15 | 20.4 |
| Serbia ^k | 16 | 16 | 32 | 26.6 | 26.6 | 53.2 |

(Continued)

Table 4.
Continued

| Country | Old age, disability, survivors | | | All social security programs ^a | | |
|------------------------------|--------------------------------|-------------------|--------------------|---|----------|--------------------|
| | Insured person | Employer | Total | Insured person | Employer | Total |
| Slovak Republic ^d | 6.4 ^b | 21.6 ^b | 28 ^b | 12.8 | 38 | 50.8 ^c |
| Slovenia | 15.5 ^b | 8.85 ^b | 24.35 ^b | 22.1 | 15.9 | 38 ^c |
| Spain ^d | 4.7 ^b | 23.6 ^b | 28.3 ^b | 6.25 | 31.58 | 37.83 |
| Sweden ^d | 7 | 10.21 | 17.21 | 7 | 19.09 | 26.09 ^c |
| Switzerland ^d | 11.9 | 11.9 | 23.8 | 13.4 | 13.54 | 26.94 |
| Ukraine | 1 ^b | 37 ^b | 38 ^b | 1 | 37.5 | 38.5 |
| United Kingdom ^d | 10 ^b | 11.9 ^b | 21.9 ^b | 10 | 11.9 | 21.9 ^c |

SOURCE: Based on information in the country summaries in this volume.

- a. Includes old age, disability, and survivors; sickness and maternity; work injury; unemployment; and family allowances. In some countries, the rate may not cover all of these programs. In some cases, only certain groups, such as wage earners, are represented. When the contribution rate varies, either the average or the lowest rate in the range is used.
- b. Also includes the contribution rate for other programs.
- c. Government pays the total cost of family allowances.
- d. Contributions are submitted to a ceiling for some benefits.
- e. New system rates.
- f. Portion of set amount for old age, disability, and survivors. Central and local government and other types of contributions for the other programs.
- g. Government pays the total cost of basic unemployment benefit.
- h. Government pays the total cost of cash sickness and medical benefits.
- i. Range according to earnings bracket. Higher rate is shown, which applies to highest earnings class.
- j. See total.
- k. Data are more than 4 years old.



Country Summaries

Albania

Exchange rate: U.S.\$1.00 equals 136.3 lek.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1947.

Current law: 1993, amended 1995 and 1998.

Type of program: Social insurance system.

Coverage

Employed persons, self-employed persons, and university students. Voluntary coverage for other groups who do not qualify for compulsory insurance. Supplementary systems for civil servants, private employers and employees, and military personnel. Special state pensions are available for those who have contributed to the political and cultural development of Albania.

Source of Funds

Insured person: 11.5% of total earnings (10% for old-age, disability, and survivor pensions and for sickness and maternity benefits; 1.5% for medical care).

Employer: 35% of payroll (26% for old-age, disability, and survivor pensions and for sickness and maternity benefits; 1.5% for health cash benefits, 1.5% for work injury, and 6% for unemployment insurance).

Government: Any deficit. Covers costs for persons in compulsory military service and credits contributions on behalf of the unemployed. Contributions also partially finance benefits for sickness and maternity.

Qualifying Conditions

Old-age pension: Age 60 (men) or 55 (women), 35 years of contributions, and retirement from economic activity.

Mothers with six or more children over age 8 are eligible at age 50 with 30 years of contributions.

Partial old-age pension: Age 60 (men) or age 55 (women), with between 20 and 35 years of contributions.

Disability pension: Incapable of any work, blind, or suffering from severe mutilation.

Minimum insurance period is at least 1/2 the difference in years between the claimant's age and 20.

Disability must be certified by Medical Experts Committee (MEC). At pensionable age, the claimant may choose to take the old-age pension if the amount is higher.

Partial disability pension: Incapacity to perform work at the last place of employment but can work under special working conditions. The minimum insurance period must be met.

Disability and special work conditions as determined by MEC.

Survivor pension: Deceased was insured or had terminated insurance not more than 1 year before death. Eligibility for old-age or disability pension.

Eligible survivors: Dependents include a surviving spouse caring for dependent child under age 8; a disabled or aged spouse (aged 50 for a widow or aged 60 for a widower); dependent orphans under age 18 (age 25 if a student), or a spouse or a child who became disabled prior to reaching these ages; parents and grandparents aged 65 or older who shared the same household with the deceased for 12 months prior to the death and have no one else to care for them; dependent grandchildren. A surviving spouse loses entitlement to the survivor pension on remarriage.

Old-Age Benefits

Consists of a basic pension and an earnings-related increment.

Basic flat-rate pension (equal to the minimum living standard) is awarded to all insured persons.

Earnings-related increment for employed persons is equal to 1% for each year of coverage multiplied by the average assessed wage for which contributions were paid.

Maximum pension: Twice the basic pension amount, or 75% of average net wages during 3 years of the last 10 years of employment.

Increment for deferred retirement: 4% of full pension for each year of deferred retirement, with continued contributions.

Maximum pension: 80% of the average net wage during 3 years of the last 10 years of employment.

Partial pension: Calculated as a percentage of the full pension, depending on the number of years worked.

Benefit adjustment: The basic pension amount is indexed annually according to price changes of selected commodities.

Permanent Disability Benefits

Disability pension: The award consists of a basic pension and an increment as for the old-age pension, above.

Maximum pension: Twice the basic pension or 80% of the last average net wage, whichever is less.

Partial disability pension: 50% of the full disability pension.

Constant-attendance supplement: 15% of the assessed wage for contribution purposes.

Supplements for dependent children: Equal to 5% of the basic old-age pension for each dependent child under age 15. The maximum supplement is 20% of the basic old-age pension.

Benefit adjustment: Benefits are adjusted in accordance with changes to the old-age pension.

Survivor Benefits

Survivor pension: Equal to 50% of the old-age pension of the deceased for the surviving spouse; 25% for each orphan and

other dependents up to a maximum of 100% (50% if the surviving spouse is economically active or receiving a pension in own right) of the pension of the deceased.

50% for a sole orphan provided that there is no other eligible dependent.

Full orphans are eligible for the pension entitlements of both parents.

Death benefit: Equal to 1 month's basic old-age pension.

Administrative Organization

Ministry of Labor and Social Affairs and a tripartite Administrative Council provide general supervision.

Social Insurance Institute administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1947.

Current law: 1993 (amended 1994, 1995, 1998, 2000, and 2001).

Type of program: Dual social insurance system (cash benefits) and universal system (medical care).

Coverage

Sickness benefits: Employees.

Maternity benefits: Employees, employers, and self-employed persons.

Medical care: All residents.

Source of Funds

Insured person: Cash benefits, part of the 10% combined contribution made for Old Age, Disability, and Survivors and Sickness and Maternity; medical care, 1.5% (1.7% of salary for persons living in urban areas).

Employer: Cash benefits, part of the 26% combined contribution made for Old Age, Disability, and Survivors and Sickness and Maternity; health cash benefits, 1.5%.

Government: Medical care, 1.7% of payroll for employees. Total cost for persons not currently in the labor force.

Qualifying Conditions

Sickness benefits: One week of employment.

Maternity benefits: Twelve months of contributions.

Medical care: No minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 70% of the average daily wage in the last calendar year if less than 10 years of contributions; 80% for more than 10 years. During hospitalization, benefits equal 50% of the average daily wage, provided there are no dependents.

Benefit is payable from the 15th day of medical certification (first 14 days are the responsibility of the employer) for up to 6 months. Benefit may be extended for an additional 3 months if MEC certifies likelihood of recovery in that period. Income compensation is also available for changes of employment due to health reasons.

Maternity benefit: Employees are entitled to 365 days of paid maternity leave (with a minimum of 35 days prior to the expected date of childbirth and 42 days after). Benefit is 80% of the average daily wage in the last calendar year for leave period prior to childbirth and for 150 days after. Benefit is paid at 50% of the average daily wage for the remainder of the period. For multiple births, the paid leave period is extended to 390 days, including a minimum of 60 days prior to and 42 days after the expected date of childbirth. Benefits are also available in cases of adoption. Compensation is payable for changes of employment due to pregnancy.

For employers and the self-employed, benefit is equal to the basic old-age pension.

Birth grant: A lump-sum payment of 1,500 lek for either insured parent with a minimum of 1 year's contributions.

Workers' Medical Benefits

Free general practitioners' services. Reimbursement is provided from 35% to 100% for various essential medicines.

Dependents' Medical Benefits

Same as for the family head.

Administrative Organization

Ministry of Labor and Social Affairs and Ministry of Health Protection provide general supervision.

Social Insurance Institute administers sickness and maternity benefits.

Health Insurance Institute administers medical benefits.

Work Injury

Regulatory Framework

First law: 1947.

Current laws: 1993, 1995, 1998, 2000, and 2001.

Type of program: Social insurance.

Coverage

Employees, apprentices, and students in practical training.

Source of Funds

Insured person: None.

Employer: 1.5% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

100% of the average daily wage over the last 3 years, payable for up to 12 months.

Permanent Disability Benefits

For loss of working capacity of at least 67%, the entitlement is 80% of the average wage over the last 3 years but not less than the minimum standard of living.

Partial disability (the loss of at least 33% of working capacity): Benefits equal to 80% of the average wage over the last 3 years (depending on degree of loss of work capacity) but not less than 50%.

Minor permanent disability (loss of between 10% and 33% of working capacity): A lump sum determined in accordance with regulations. Material damages incurred by the insured person are compensated in full.

Workers' Medical Benefits

Compensation is available for additional medical care and for the cost of rehabilitation required to recover lost capacity.

Survivor Benefits

Survivor pension: 50% for the surviving spouse and 25% for each orphan, parent, grandchild, and grandparent. The total award is subject to a maximum of 100% of the pension of the deceased.

Orphan's pension: Orphans have right to survivor's pension even if the surviving parent is economically active or receives a pension, but the pension is subject to a maximum of 50% of the pension of the deceased.

Death benefit: Equal to 1 month's basic old-age pension.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

Social Insurance Institute administers the program.

Unemployment

Regulatory Framework

First and current law: 1993.

Type of program: Social insurance.

Source of Funds

Insured person: None.

Employer: 6% of payroll.

Government: Covers any deficit.

Qualifying Conditions

Unemployment benefit: At least 1 year's contribution and receiving no other benefits (except for partial disability), registered at an unemployment office, and willing to undergo training.

Unemployment Benefits

A flat rate providing at least for a minimum standard of living, as decided by Council of Ministers (4,000 leks per month as of 1998). Benefit is payable for up to 12 months or for a total of 365 calendar days if the insured has temporary periods of employment.

Child supplement: A supplement for dependent children under age 15. The supplement is 5% of the unemployment benefit for each child up to a maximum of 20% (the supplement is reduced by 50% if one parent is employed or receiving a pension).

For persons attending training courses but not receiving stipends or wages, benefits are payable up to 18 months.

Benefit adjustment: Indexed annually in accordance with price changes to selected commodities.

Administrative Organization

Ministry of Labor, Emigration, and Social Affairs provides general supervision.

National Employment Service administers the payment of benefits.

Social Insurance Institute administers the collection of contributions.

Family Allowances

Regulatory Framework

Current law: 1993 (amended 1994, 1995, 1998, 2000, and 2002).

Type of system: Dual social insurance and public assistance systems.

Coverage

Insured persons, dependents, and carers for social insurance family allowances. Resident families for public assistance.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost of public assistance.

Qualifying Conditions

Family allowances (social insurance): An insured person entitled to a disability pension or unemployment benefit with dependent children under age 15. An insured person or pensioner in the case of the death of a dependent family member. A caregiver of a deceased insured person who has paid the funeral expenses of the latter. The beneficiary of a disability pension who, according to expert medical opinion, requires constant care.

Family allowances (public assistance): Families resident in Albania.

Family Allowance Benefits

Family allowances (social insurance)

Dependent child supplement: 5% of basic pension or unemployment benefit for each dependent child up to a maximum of 20%.

Family supplement: A flat-rate family supplement paid at the level of 15% of the basic pension.

Death benefit: Equal to 1 month's basic old-age pension.

Family allowances (public assistance): 494 leks per employed person; 414 leks for children and dependents, including an unemployed dependent of an employed person; 350 leks per month for an employed person in the private sector; 1,700 leks for those disabled due to an employment accident and requiring constant care; 1,500 leks for a person disabled due to an employment accident and incapable of work; 1,300 leks for a person disabled due to an employment accident and partially incapable of work; 1,500 leks if paralyzed or disabled and requiring constant care; 5,306 leks for those born disabled or for those who became disabled prior to age 24; 5,306 leks for tetraplegics and paraplegics; 5,300 leks for the blind, 10,612 leks for the blind attending middle school, and 15,918 leks for the blind attending high school; 4,548 leks for those who are disabled and blind and in need of continuous care. In cases of blindness, the benefit is 70% of the minimum monthly wage earned in the state sector regardless of age or other income.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

Social Insurance Institute administers the program.

Andorra

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First and current law: 1966.

Type of program: Social insurance system.

Coverage

Employed persons. Voluntary coverage for nonemployed persons.

Source of Funds

Insured person: A choice of 2%, 4%, or 6% of earnings (no ceiling).

Employer: 6% of payroll (no ceiling).

Government: None.

The above contributions also finance work injury benefits.

Qualifying Conditions

Old-age pension: Age 65.

Disability pension: A loss of at least 2/3 of earning capacity. For insured persons under age 21 entitlement is based on 12 months of contributions; for insured aged between 21 and 40 years, 36 months of contributions; and for insured aged between 41 and 65 years, 96 months of contributions.

Survivor pension: Entitlement is based on 60 months of contributions by the deceased.

Old-Age Benefits

Old-age pension: The value of the pension received is linked to the amount of contributions made. Each monthly contribution is converted into age pension points by dividing the monthly employee and employer contributions by the government-set purchase value of an age pension point for the relevant month. To calculate the pension, the acquired age pension points are converted into an annual pension figure by applying a set value to each pension point. This set value is indexed and adjusted accordingly on a regular basis. The monthly pension is equivalent to 1/12 of the result of this calculation.

Minimum pension: Based on 5,000 age pension points, awarded to insured beneficiaries with at least 960 points and 180 months of contributions since 1968 and at least 60 months of paid employment before then.

Spouse supplement: Pensions are increased by 10% if the spouse of the insured is aged 65 or over and is not eligible for a pension in his or her own right.

Permanent Disability Benefits

Disability pension: The pension is calculated according to the basis salary (the mean monthly salary of the 12 months preceding the onset of the incapacity). Pension entitlements are awarded in relation to the degree of disability:

- Group I, an individual who is able to perform some types of work receives 30% of the basis salary;
- Group II, an individual who is unable to perform any type of work receives 50% of the basis salary;
- Group III, an individual who is unable to perform any type of work and who is in need of constant-attendance assistance receives 75% of the basis salary.

Survivor Benefits

Survivor pension: 50% of the old-age pension or disability pension of the deceased. The pension is payable to a spouse aged 45 or older, disabled, or caring for a child aged under 18 years.

Orphan's pension: 10% of the old-age pension or disability pension of the deceased. Payable to each dependent child who is not in paid employment.

Maximum benefit: 50% of the pension entitlement of the deceased.

Funeral grant: A lump sum equal to the earnings of the last 3 months or three times average monthly earnings, whichever sum is the greater.

Eligible relatives: In order of entitlement, the surviving spouse and dependent children, adult children, parents, grandparents, any other immediate relative.

In some cases, the funeral grant may be given to the insurance fund that pays the funeral costs.

Administrative Organization

Managed by its Administration Council and Director, the National Social Security Fund administers the scheme.

Sickness and Maternity

Regulatory Framework

First and current law: 1966.

Type of program: Social insurance system.

Coverage

Employed persons. Voluntary coverage for nonemployed persons.

Source of Funds

Insured person: 3% of earnings (no ceiling).

Employer: 7% of payroll (no ceiling).

Government: None.

The above contributions also finance work injury benefits.

Qualifying Conditions

Sickness benefit: For the first claim, 40 days of contributions are required. All subsequent claims require 15 days of employment in the last 40 days. To receive benefits for longer than 180 days requires 12 months of contributions prior to the onset of sickness.

Maternity benefit: Entitlement is based on 6 months of insurance prior to the expected date of childbirth or 3 months of employment in the previous 6 months.

Medical benefits: For the first claim, 40 days of contributions are required. Subsequent claims require 15 days of employment in the last 40 days.

Sickness and Maternity Benefits

Sickness benefit: A daily amount equal to half of the reference earnings (1/180 of earnings for the previous 6 months). Benefit is payable after a 3-day waiting period. After the thirtieth day following the onset of sickness, the daily payment is increased to 2/3 of the reference earnings. The maximum duration of payments is 6 months. In some cases, benefit entitlement can be extended by additional increments of 6 months up to a total of 3 years.

Benefit adjustment: Annual adjustment of benefits paid for more than 12 months where the average salary is adjusted by at least 10%.

Maternity benefit: Daily amount equal to 90% of 1/180 of earnings for the 6 months prior to stopping work. The maximum duration of payment is 16 weeks.

Workers' Medical Benefits

The benefits provided include primary and specialist treatment, pharmaceuticals, hospitalization, dental care, minor aids and appliances, maternity care, and transportation. The National Social Security Fund reimburses 75% of scheduled fees for these services. There is no limit on the duration.

Dependents' Medical Benefits

The benefits provided include primary and specialist treatment, pharmaceuticals, hospitalization, dental care, minor aids and appliances, maternity care, and transportation. The National Social Security Fund reimburses 75% of scheduled fees for these services. There is no limit on the duration.

Administrative Organization

Managed by its Administration Council and Director, the National Social Security Fund administers the scheme.

Work Injury

Regulatory Framework

First and current law: 1966.

Type of program: Social insurance system.

Coverage

Employees. The option of voluntary coverage is available to nonemployed persons.

Source of Funds

Insured person: See Old Age, Disability, and Survivors and Sickness and Maternity, above.

Employer: See Old Age, Disability, and Survivors and Sickness and Maternity, above.

Government: See Old Age, Disability, and Survivors and Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

The benefit is the same as sickness benefit in Sickness and Maternity (above), but payable from the onset of disability.

Permanent Disability Benefits

For total disability the entitlement is 100% of average monthly earnings in the preceding year.

For partial disability of less than 10% the entitlement is a lump-sum award equal to twice the average monthly earnings.

If the partial disability is between 10% and 55% and the insured is less than 45 years old, there is a choice of a pension proportional to 50% of the degree of disability or a lump sum equal to 6 months of average monthly earnings if the disability is between 10% and 24%; 12 months if the disability is between 25% and 39%; 18 months if the disability is between 40% and 55%.

If the partial disability is between 10% and 55% and the insured is more than 45 years old, the pension is proportional to 50% of the degree of disability.

If the disability is greater than 55% and the insured is less than 45 years old, there is a choice of a pension proportional to the degree of disability or a lump sum equal to 40 times the average monthly earnings.

If the disability is greater than 55% and the insured is more than 45 years old, the pension is proportional to the degree of disability.

Workers' Medical Benefits

Provided through medical insurance with 100% reimbursement.

Survivor Benefits

Survivor pension: The entitlement is 50% of the average monthly earnings of the deceased. The pension is payable to a nonseparated spouse who is not undertaking any gainful activity and who is not eligible for a pension in his or her own right.

Orphan's pension: The entitlement is 10% of the average monthly earnings of the deceased for each child under age 18 who is not in paid employment.

Maximum orphan pension: 50% of deceased's earnings.

Ascendant pension: 20% of the average monthly earnings of the deceased. Paid to all ascendants (of the deceased and the spouse) who were totally dependent on the insured.

Maximum survivor pensions: 100% of average monthly earnings of the deceased.

Administrative Organization

Managed by its Administration Council and Director, the National Social Security Fund administers the scheme.

Unemployment

Regulatory Framework

There is no separate unemployment scheme, but assistance is made available by the government for identified cases of need.

Family Allowances

Regulatory Framework

There is no separate family allowances scheme, but assistance is made available by the government for identified cases of need.

Austria

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1909 (salaried employees) and 1939 (wage earners).

Current laws: 1955 (employees) and 1979 (self-employed).

Type of program: Social insurance system.

Coverage

Wage earners and salaried employees (separate systems with essentially identical provisions) earning •301.54 or more a month, and apprentices.

Special systems for miners, notaries, public employees, and self-employed persons in trade, industry, and agriculture.

Source of Funds

Insured person: 10.25% of earnings.

Employer: 12.55% of payroll.

Government: Any deficits; also cost of nursing care insurance and income-tested allowance.

Maximum earnings for contribution and benefit purposes are •3,270 a month (amount adjusted annually).

Qualifying Conditions

Old-age pension: Age 65 (men) or 60 (women); 180 months of insurance coverage in the last 30 years, 300 months of insurance, or 180 months of contributions.

Early pension is payable at age 61.5 (men) or 56.5 (women) after 1 year of unemployment, or receipt of cash sickness benefits, or 35 years of insurance. Early pension is suspended if earnings are above •301.54 a month. Partial pension payable at age 61.5 (men) or 56.5 (women).

Reciprocity or international agreement is required for payments abroad beyond 2 months except in member states of the European Union.

Disability pension: Loss of 50% of earning capacity compared with insured person with similar education and 60 months of contributions (plus 1 month for each age month from age 50) in the last 10 years (plus 2 months for each age month from age 50), 300 months of insurance, or 180 months of contributions in total. Qualifying conditions may be relaxed for persons aged 57 or older. Partial pension if monthly earnings above •907.45.

Survivor pension: Insured met insurance or contribution requirements for disability pension or was a pensioner at death.

Old Age, Disability, and Survivors

Old-age pension: Benefit accrues at 2% of the assessment base (revalued average earnings in best 15 years up to a maximum of •2,886.14 a year) for each year of insurance.

Benefit is reduced for early retirement by either 3% of the assessment base per year up to a maximum of 10.5% or by 15% of the total percentage due (calculated by multiplying 2% by the years of insurance), whichever is more favorable to the pensioner. Increase for deferred retirement is 4% of assessment base per year. Maximum benefit is 80% of assessment base (up to 90% in the case of late retirement).

Child's supplement: •29.07 for each child under age 18 (27 if student, no limit if child is disabled.)

Income-tested allowance: Amount raising pension to •630.92 a month for an individual, •900.13 for a married couple, plus •67.15 for each child for which a person receives a child's supplement.

Schedule of payments: 14 payments a year.

Benefit adjustment: Adjusted annually.

Care benefit: Pensioners in need of personal care may be entitled to a monthly benefit varying from •145.40 up to •1,531.50 (in 7 levels) depending on the amount of care required. The benefit is paid 12 times per year.

Permanent Disability Benefits

Disability pension: See old-age pension. If younger than age 56.5, insurance is projected to that age for benefit purposes. Maximum is 60% of assessment base.

Care benefit: Pensioners in need of personal care may be entitled to a monthly benefit varying from •145.40 up to •1,531.50 (in 7 levels) depending on the amount of care required. The benefit is paid 12 times per year.

Survivor Benefits

Survivor pension: Widow or widower receives up to 60% of pension of insured. Rates under 60% may be increased to 60%, depending on the beneficiary's total income.

Income-tested allowance: Amount raising survivor pension to •630.92 a month.

Orphan's pension: 40% of spouse pension, or 60% if full orphan, for each orphan under age 18 (27 if student, no limit if orphan is disabled).

Income-tested allowance: Amount raising orphan's pension to •235.63, or full orphan's pension to •353.79; after age 24, raises orphan's pension to •418.70 and full orphan's pension to •630.92 a month.

Schedule of payments: 14 payments a year.

Benefit adjustment: Adjusted annually.

Care benefit: Pensioners in need of personal care may be entitled to a monthly benefit varying from •145.40 up to •1,531.50 (in 7 levels) depending on the amount of care required. The benefit is paid 12 times per year.

Administrative Organization

Federal Ministry of Social Security and Generations performs general supervision.

Manual Workers' Pension Insurance Institution and Salaried Employees' Pension Insurance Institution (single institution from 2003) administers pensions (separate institutions for railroads, mining, and agricultural and nonagricultural self-employed).

Self-governing agencies are managed by elected representatives of insured persons and employers.

Sickness funds collect contributions, transmit them to pension insurance institutions, and maintain contribution records for individual workers. Special funds equalize surpluses and deficits between various systems.

Sickness and Maternity

Regulatory Framework

First law: 1888.

Current laws: 1955 (employees), 1960 (maternity), 1974 (cash benefits for wage earners), and 1979 (self-employed).

Type of program: Social insurance system; cash and medical benefits.

Coverage

Employed persons earning •301.54 or more a month, apprentices, and pensioners.

Special systems for public and railway employees and self-employed in agriculture, trade, and industry.

Source of Funds

Insured person: Wage earners, 3.95% of wages; salaried employees, 3.4% of salary; pensioners, 3.75% of pension.

Employer: Wage earners, 3.65% of payroll; salaried employees, 3.5%.

Government: 70% of cash maternity benefits.

Maximum earnings for contribution and benefit calculation purposes are •3,270 a month (amount adjusted annually).

Qualifying Conditions

Sickness and maternity benefits: Currently in covered employment.

Sickness and Maternity Benefits

Sickness benefit: Employer pays 100% of earnings for up to 12 weeks (plus additional 4 weeks at 50%) depending on length of service.

After right to full benefit from employer is exhausted, sickness funds pay 50% (60% after 6 weeks) of covered earnings (25%

to those receiving 50% of earnings from employer) plus family supplements for 26 to 52 weeks depending on length of contributions. Maximum is 75% of covered earnings.

Maternity benefit: Equals 100% of earnings for 8 weeks before the expected date of childbirth and 8 weeks after giving birth (12 to 16 weeks after childbirth in special cases).

Workers' Medical Benefits

Service benefits are ordinarily provided by doctors, hospitals, and pharmacists under contract with and paid directly by sickness funds; some funds operate own clinics or hospitals. Includes medical (including psychotherapy), maternity, and dental care; hospitalization; medicines; appliances; home nursing; preventive examinations; and transportation.

Patients pay •4.14 per prescription, part of the cost for dental care, and up to 20% of the cost of appliances. Cost-sharing is at least •21.80 for appliances. Exceptions for patients of limited means.

No limit on duration of benefits.

Dependents' Medical Benefits

Same as for insured person but with 10% cost-sharing during first 4 weeks of hospitalization. Wife receives same maternity care as insured woman.

Administrative Organization

Federal Ministry of Social Security and Generations performs general supervision. Nine district and nine occupational sickness funds administer contributions and benefits. Special funds for railroad, mining, and public employees.

Self-governing agencies, managed by elected representatives of insured persons and employers.

Work Injury

Regulatory Framework

First law: 1887.

Current law: 1955.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons, apprentices, and students.

Special system for public employees.

Source of Funds

Insured person: Employed persons, none. Self-employed persons contribute.

Employer: 1.4% of payroll.

Government: Federal government contributes to accident insurance of farmers.

Maximum assessment base per employee for contribution and benefit calculation purposes is •3,270 a month (amount adjusted annually).

Family Allowances Equalization Fund reimburses the General Accident Insurance Fund for accident insurance of students.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: If sick, the claimant receives sickness benefit until decision on permanent disability is made. For sickness benefit, the employer pays 100% of earnings for up to 12 weeks (plus additional 4 weeks at 50%) depending on length of service.

After right to full benefit from employer is exhausted, sickness funds pay 50% (60% after 6 weeks) of covered earnings (25% to those receiving 50% of earnings from employer) plus family supplements for 26 to 52 weeks depending on length of contributions. Maximum is 75% of covered earnings.

Permanent Disability Benefits

Permanent disability pension: Full pension if 100% reduction in earning capacity; 66.6% of assessment base (average earnings during last year prior to disablement). A prorated partial pension is payable from 20% reduction in earning capacity.

Supplementary pension: Payable at 20% of disability pension if reduction in earning capacity is 50% to 70%; 50% if reduction is higher.

Child's supplement: 10% of disability pension if 50% or higher reduction in earning capacity for each child under age 18 (27 if in vocational training, no age limit if child is disabled). Maximum is •76.31.

Total of disability pension, supplementary pension, and child's supplements cannot exceed 100% of assessment base.

Care benefit: Those in need of personal care may be entitled to a monthly benefit varying from •145.40 up to •1,531.50 (in 7 levels) depending on the amount of care required. The benefit is paid 12 times per year.

Benefit adjustment: Adjusted annually.

Workers' Medical Benefits

Comprehensive care, including rehabilitation (first 4 weeks provided under sickness insurance). Allowances for training and relocation.

Survivor Benefits

Survivor pension: 40% of assessment base (average earnings during last year prior to disablement) if age 60 or disabled;

otherwise, 20% of earnings, payable to widow or to dependent disabled widower.

Orphan's pension: 20% of assessment base for each orphan, or 30% if full orphan and under age 18 (27 if student, no limit if orphan is disabled).

Total of survivor and orphan's pensions cannot exceed 80% of assessment base.

Schedule of payments: 14 per year.

Benefit adjustment: Adjusted annually.

Other benefits: Partial reimbursement of funeral and transportation costs (at least •945).

Administrative Organization

Federal Ministry of Social Security and Generations performs general supervision.

General Accident Insurance Institution administers long-term benefits (separate institution for railway employees, public employees, and agricultural self-employed).

Sickness funds collect contributions and transmit them to accident insurance institutions.

Unemployment

Regulatory Framework

First law: 1920.

Current law: 1977.

Type of program: Compulsory insurance system.

Coverage

Employed persons (except public employees) earning •301.54 or more a month, and apprentices.

Source of Funds

Insured person: 3% of earnings.

Employer: 3% of payroll.

Government: Any deficit.

Maximum earnings for contribution and benefit calculation purposes is •3,230 a month (amount adjusted annually).

Qualifying Conditions

Unemployment benefit: 28 weeks of contributions in last 12 months; or 52 weeks in last 24 months if first claim (reference period extended for sickness, unemployment, noninsured employment, and so on). Registered at employment office; capable of and willing to work. Unemployment not due to voluntary departure without good reason, misconduct, work stoppage, or refusal of suitable offer (disqualification usually lasts 4 weeks).

Unemployment Benefits

55% of net earnings.

Minimum benefit is •4.08 a day; maximum benefit is •33.82 a day. Dependents' supplements are 1/30 of •29.07 a day for each dependent, but total benefit including base amount cannot be more than 80% of net earnings.

Payable for up to 20 weeks. Payment can be extended to 30 weeks (if 156 weeks of insurance in last 5 years); to 39 weeks (aged 40 or older if 312 weeks of insurance in last 10 years); to 52 weeks (aged 50 or older if 468 weeks of insurance in last 15 years); and to 78 weeks (certain groups of older workers if 780 weeks of insurance in the last 25 years).

Emergency assistance (92% to 95% of unemployment benefit, according to number of dependents) is payable to unemployed citizens without time limit when insurance benefits are exhausted.

Administrative Organization

Federal Ministry of Economy and Labor administers benefits.

Regional offices of the labor market service pay benefits and offer job-seeking services.

Family Allowances

Regulatory Framework

First law: 1948.

Current law: 1967.

Type of program: Universal system.

Coverage

Permanent residents with one or more children. (Aliens are eligible if employed for more than 3 months or resident for at least 5 consecutive years.)

Source of Funds

Insured person: None

A portion of the land tax is allocated to finance family allowances for agricultural self-employed persons.

Employer: 4.5% of payroll.

Government: States contribute •1.74 per year for each inhabitant. A portion of federal income tax receipts is transferred to the Family Allowances Equalization Fund.

Federal government, states, and municipalities with more than 2,000 inhabitants pay family allowances out of their own budget but do not pay employer contributions.

Qualifying Conditions

Family allowances: Child must be under age 18; under age 26 if in vocational training or if severely disabled.

Family Allowance Benefits

•105.40 a month for each child up to age 10, thereafter •123.60 a month until age 18, then •145.40. A supplement of •131 for a severely disabled child.

Administrative Organization

Federal Ministry of Social Security and Generations administers the program through Family Allowances Equalization Fund attached to Ministry.

Tax administration pays allowances directly to recipients; surpluses are accumulated in a reserve fund.

Separate organization for public employees.

Belarus

Exchange rate: U.S.\$1.00 equals
1,565 Belarus rubles.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956.

Current laws: 1993 and 1999.

Type of program: Social insurance system.

Coverage

All employed permanent residents, including priests and employees of religious organizations, members of cooperatives, and farmers.

Special systems for aviators, teachers, artists, professional athletes, government employees, and specific categories of medical personnel.

Source of Funds

Insured person: 1% of earnings.

Employer: 4.7% to 35% of payroll, according to the branch of industry and the type of enterprise.

Government: Cost of social pensions, plus subsidies as needed.

The above contributions also finance cash benefits for sickness and maternity, work injury cash benefits, and family allowances to employees.

Qualifying Conditions

Old-age pension: Age 60 with 25 years of insurance coverage (men) or age 55 with 20 years of insurance coverage (women).

Requirements are reduced for those in hazardous work, war veterans, parents of disabled children, persons disabled since childhood, mothers of five or more children, and mothers of military servicemen killed in action.

Disability pension: Incapacity for any work (total disability) or usual work (partial disability); a minimum of 1 year to 15 years of covered employment, depending on age at the onset of disability.

Survivor pension: The deceased was a pensioner or was entitled to a pension.

Social pension: Nonworking citizens who are not eligible for an old-age, disability, or survivor pension and are age 60 (men) or 55 (women), or disabled since childhood, under age 18 and disabled, or orphans under age 18 (or older if disabled and the disability began before age 18).

Old-Age Benefits

Old-age pension: 55% of wage base, plus 1% of wage base (not less than 1% of the minimum old-age pension) for each covered year in excess of the required number of years of coverage (25 years for men or 20 years for women), plus 1% of wage base for each year in excess of 10 years in hazardous work (or 7.5 years for women), up to 20%. The pension is paid monthly.

The minimum pension is 25% of the average per capita subsistence budget.

The maximum pension is 75% of wage base.

Deferred pension: The old-age pension is increased by 1% of earnings for every 2 months of deferred retirement, not subject to any ceilings.

Constant-attendance supplement: 50% of the minimum old-age pension for pensioners aged 80 or older, for single pensioners, and for pensioners of Group II disability (see disability pension, below) requiring care; 100% for pensioners of Group I disability (see disability pension, below).

Partial pension: The monthly benefit is reduced in proportion to the number of years below the required number of years of coverage (but not if less than 5 years); the minimum partial pension is 50% of the minimum pension.

Benefit adjustment: Benefits are adjusted when the average wage increases by more than 10%.

Social pension: 50% of the minimum pension per month.

Benefit adjustment: The social pension is adjusted according to changes in the average per capita subsistence-level budget.

Permanent Disability Benefits

Disability pension: Group I disability (total disability requiring constant attendance) is 75% of the wage base. Group II disability (total disability) is 65% of the wage base. Group III disability (partial disability) is 40% of the wage base.

The minimum disability pension is 100% of the minimum old-age pension for Groups I and II and 50% of the minimum old-age pension for Group III.

Expert medical rehabilitation commissions set the definitions for the respective groups of disability.

Benefit adjustment: Benefits are adjusted when the average wage increases by more than 10%.

Social pension for the disabled: For disabled persons with a Group I disability or a Group I or II disability that began in childhood, the award is 150% of the minimum monthly old-age pension; if in Group II and disability began after age 18, 100%; 50% for persons with a Group III disability. For disabled children under the age of 18, the award is 150% of the minimum old-age pension for those in Group I, 175% for Group II, 200% for Group III, and 250% for Group IV.

Expert medical rehabilitation commissions set the definitions for the respective groups of disability.

Benefit adjustment: The social pension for the disabled is adjusted according to changes in the average subsistence budget.

Survivor Benefits

Survivor pension: Payable monthly at 40% of the wage base for each eligible survivor; 50% for full orphans.

Eligible survivors: Surviving dependent spouse; parents of the insured if they have reached pensionable age or are disabled or care for a child under age 8 and do not work; grandparents if there is no one legally responsible for their livelihood; children, siblings, and grandchildren who are under age 18 (age 23 if a student) or older if disabled before age 18.

The minimum pension is 100% of the minimum old-age pension (200% for the loss of both parents or the death of a single mother).

Funeral grant: Based on the average monthly wage.

Benefit adjustment: Benefits are adjusted when the average wage increases by more than 10 percent.

Social pension for orphans: The award for each orphan under age 18 (or older if disabled since childhood) is 100% of the minimum old-age pension.

Benefit adjustment: The social pension for orphans is adjusted according to changes in the average subsistence budget.

Administrative Organization

Ministry of Labor and Social Protection and its local offices administer the program.

Sickness and Maternity

Regulatory Framework

First law: 1955.

Current laws: 1992, 1995, 1996 (amended in 1998), and 1999.

Type of program: Dual social insurance (sickness and maternity benefits) and universal (medical care) systems.

Coverage

Cash benefits for sickness and maternity: Persons in covered employment or in military service (including female military personnel); registered unemployed (maternity benefits only).

Medical benefits: All residents.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: The cost of medical care. Maternity benefits for members of the armed forces, the interior service, and students are paid for out of the state budget.

Qualifying Conditions

Cash and medical benefits: Cash sickness benefits for insured workers, including foreign citizens and persons without citizenship working in the Republic of Belarus. No minimum qualifying period for medical care and maternity benefits.

Sickness and Maternity Benefits

Sickness benefit: 80% of average earnings for the first 6 days of illness and 100% thereafter. The monthly maximum is 300% of the average wage. Benefit is also awarded at 100% of the average wage to care for a sick child under age 14 for up to 14 days, or for periods of hospitalization as recommended by a physician.

Maternity benefit: Employed women receive 100% of average monthly earnings; students on leave from employment receive 100% of the stipend; women who are registered as unemployed and are currently receiving unemployment benefit receive 100% of the unemployment benefit; women who are registered as unemployed but who have exhausted the 26 weeks of entitlement to unemployment benefit receive 200% of the minimum wage. The monthly minimum award is 200% of the minimum wage. There is no maximum limit.

Benefits are payable for 126 calendar days (140 calendar days in the case of a difficult birth or multiple births). For the adoption of a child under 3 months old, benefit is payable for a total of 70 days, starting from the day of adoption.

Prenatal care grant: A lump-sum grant for medical consultation during the first 12 weeks of pregnancy. The value of the grant equals 50% of the birth grant (see Family Allowances, below).

Workers' Medical Benefits

Medical services are provided directly by government health providers and include general and specialist care, hospitalization, prostheses, medication, and other medical care services.

Dependents' Medical Benefits

Same as for the head of the household.

Administrative Organization

Ministry of Labor and Social Protection and the Fund of Social Protection of the Population of the Ministry of Labor and Social Protection provide general supervision.

Cash benefits are provided directly by the enterprises, as well as by local offices of social protection, as specified by law.

Ministry of Public Health and local health departments provide general supervision for, and coordination of, medical care.

Medical services are provided through government clinics, hospitals, maternity homes, and other facilities and are administered by the Ministry of Public Health and local health departments.

Work Injury

Regulatory Framework

First law: 1939.

Current laws: 1993 (pensions), 1997 (short-term benefits), and 1999 (indemnity for lost earnings and additional expenditures).

Type of program: Dual social insurance (short-term cash benefits and pension payments) and universal (medical care) system. Employers cover the loss of earnings to employees (or to dependents in the case of survivorship) and additional expenditures.

Coverage

Employed persons and their survivors. Medical care is available to all residents under the general medical care program.

Source of Funds

Insured person: None.

Employer: Medical care, none. For cash benefits and pensions, see Old Age, Disability, and Survivors, above. Employers pay supplementary contributions to the sickness (social insurance) fund in cases of work-related accidents.

Government: The cost of medical care is to be reimbursed by the enterprise if it is found to be responsible for the cause of injury.

Qualifying Conditions

Work injury benefits: No minimum qualifying period. Work injury benefits cover work injuries not caused by alcohol intoxication.

Temporary Disability Benefits

100% of earnings. Benefit is payable from the first day of incapacity until recovery, or until the award of a disability pension.

Permanent Disability Benefits

Permanent disability pension: Depending on the degree of disability, a percentage of average monthly earnings during the 12 months preceding the work injury (same as for disability pensions in Old Age, Disability, and Survivors, above).

Loss of earnings indemnification: In cases of work injury, the percentage of sustained lost working capacity prorated to average monthly benefits during the 12 months preceding the work injury minus the value of the disability pension.

Indemnification of additional expenses: In cases of work injury, covers the cost of additional expenses such as food, medicines, and medical appliances.

Workers' Medical Benefits

Same entitlements as under medical care (see Sickness and Maternity, above), plus supplementary compensation for additional nutritional costs, transportation, and other special services in cases of serious injuries.

Survivor Benefits

Survivor pension: Same as for the survivor pension in Old Age, Disability, and Survivors, above, except that average monthly earnings are based on the 12 months preceding the work injury.

Loss of earnings indemnification (survivors): In cases of bereavement resulting from a work injury, a percentage of average monthly benefits during the 12 months preceding the work injury minus the value of the survivor pension benefit.

Administrative Organization

Temporary disability benefits are provided directly by the enterprises, as well as by local offices of social protection, as specified by law.

Ministry of Labor and Social Protection and its local offices administer the program for permanent disability and survivor pensions.

Ministry of Public Health and local health departments provide general supervision and coordination of medical care.

Medical services are provided through government clinics, hospitals, maternity homes, and other facilities and are administered by the Ministry of Public Health and local health departments.

Unemployment

Regulatory Framework

First law: 1921.

Current law: 1991 (amended 1999).

Type of program: Social insurance system.

Coverage

Citizens aged 16 to 59 years (men) or aged 16 to 54 years (women), residing permanently in the Republic of Belarus.

Source of Funds

Employee: None.

Employer: 1% of payroll; 0.5% in the agricultural sector.

Government: Subsidies as needed from state and local budgets.

Qualifying Conditions

Unemployment benefit: Unemployed working-age residents who are registered at the state employment office as unemployed (not enrolled in a day-program at an educational institute or enlisted in military or government service and not engaged in a business pursuit), able and willing to work, and whose unemployment is not due to voluntary leaving.

Unemployment Benefits

Payable at 70% of the average earnings of the employees at the last place of employment for 13 weeks, and at 50% of earnings for the following 13 weeks for those who were in full-time employment (or employed for at least 12 weeks in the last 12-month period).

The minimum benefit is the minimum wage.

The maximum benefit is twice the minimum wage.

For an unemployed person who was not in full-time employment but had more than 12 months of covered employment overall (though fewer than 12 weeks' paid work in the last 12 months), or for a skilled worker reentering the workforce after a period of interruption longer than 12 months, the benefit entitlement is 100% of the minimum wage for the first 13 weeks and 75% for the following 13 weeks.

For an unskilled unemployed person who is seeking employment for the first time after a prolonged interruption from work and who has worked for less than a year overall, the benefit entitlement is 85% of the minimum wage for 13 calendar weeks and 70% for the following 13 weeks.

For an unemployed person who is ineligible for regular unemployment benefits due to inadequate covered employment but is gainfully employed in the public sector for at least 22 days, the benefit entitlement is 100% of the minimum wage for the first 13 weeks and 75% of the minimum wage for the following 13 weeks.

Benefit adjustment: Benefits are adjusted periodically according to changes in the minimum wage.

Administrative Organization

State Employment Service and its local offices administer the program.

Family Allowances

Regulatory Framework

First law: 1944.

Current laws: 1993, 1998, and 1999.

Type of program: Dual universal and social assistance systems.

Coverage

Families (including those headed by unemployed, disabled, or single parents or unmarried mothers) with one or more children.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above. Central government budget allocations cover allowances for children aged 3 and older; local budget allocations cover means-tested allowances.

Qualifying Conditions

Family allowances: All children under age 3. Children aged 3 to 16 years (or aged 18 if a student and not receiving an education stipend) receive the full benefit rates if in families whose monthly per capita income does not exceed 40% of the minimum per capita consumer budget in the previous year; if the preceding year's family income is 50% of the minimum per capita consumer budget, the benefit rates are halved. Families caring for a disabled child aged 3 to 18 years receive full benefits not subject to a means test.

Family Allowance Benefits

Family allowances: Monthly benefits for each child under age 3 are paid at 35% of the minimum per capita consumer budget. Monthly benefits for each child aged 3 to 16 years (aged 18 if a student and not receiving a stipend) are paid at 15% of the minimum per capita consumer budget.

Additional monthly allowances: Single mothers (or a single parent who is not receiving alimony for child care) receive 25% of the monthly benefit for each child until the child reaches age 16 (age 18 if a student); single mothers who were orphans (former wards of children's homes), families with disabled children under age 18, and wives of military servicemen on regular duty receive 50% of the monthly benefit; each child under age 18 who is infected with HIV or AIDS receives 30% of the minimum per capita consumer budget; persons caring for a disabled child under age 18 receive 40% of the minimum per capita consumer budget; single mothers of children under age 18 months receive 15% of the minimum per capita consumer budget.

Birth grant (not means-tested): A lump sum equal to the minimum per capita consumer budget.

Administrative Organization

Ministry of Labor and Social Protection provides general oversight of the program.

Enterprises and employers pay benefits to employees.

Local offices of the Ministry of Labor and Social Protection administer the program to nonworking mothers.

Belgium

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1900 (old age) and 1944 (disability).

Current laws: 1967, 1990, and 1996 (old-age pensions for employees); 1963 (disability); and 2001 (means-tested allowance for the aged).

Type of program: Social insurance system.

Coverage

Employed persons (special provision for miners and seamen).

Special systems for self-employed persons and public employees.

Coverage for disability pensions is provided through Sickness and Maternity.

Source of Funds

Insured person: 7.5% of earnings. Pensioners contribute 0.5% to 2% of pensions or pre-pensions.

Employer: 8.86% of payroll.

Government: Annual subsidies.

Disability pensions and funeral grants are financed through sickness and maternity insurance.

Contribution rates are applied to 100% of earnings (payroll) for white-collar workers and to 108% of earnings (payroll) for blue-collar workers.

Qualifying Conditions

Old-age pension: Age 65 with 45 years of coverage for both men and women, to be phased in by 2009. In the interim, the retirement age for women is age 62 (2002), rising to age 63 (2003), age 64 (2006), and age 65 (2009).

Full benefit is based on the following number of years of coverage for women: 42 years in 2002, rising to 43 years in 2003, 44 years in 2006, and 45 years in 2009.

Early retirement: Age 60 (men and women) with 30 years of covered employment.

Disability pension: Loss of 2/3 of earning capacity in usual occupation. Six months of insurance, including 120 days of actual or credited work and insurance coverage during the last quarter.

Survivor pension: Widow or widower aged 45 (any age if disabled or if caring for a child). Married for at least 1 year at the time of death of the insured. These conditions are waived if a child was born from the marriage or in cases of accidental death.

Old-Age Benefits

Old-age pension: The full pension is 60% of average lifetime earnings (75% for a married couple) up to a maximum of •38,678.50. To compute the pension, past earnings are adjusted to reflect wage and price changes.

Reduced pension (incomplete qualifying period): A percentage of the full pension corresponding to the portion of the qualifying period completed.

Special old-age pension to a divorced husband or wife at age 60: The special pension is 37.5% of the former spouse's earnings during the period of the marriage, less any pension earned in own right during the same years.

Minimum pension: •9,253.11 a year for a single person insured during the full qualifying period; •11,562.55 a year for a married couple. For workers with at least 2/3 of insurance required for the full pension, the minimum pension is proportionately reduced.

Vacation allowance: An annual payment of •475.94; •594.94 (paid for a couple).

Means-tested allowance: •7,022.70 a year for a person living alone; •4,681.80 a year for a person cohabiting.

Benefit adjustment: Automatic periodic adjustment of pensions for retail price changes.

Permanent Disability Benefits

Disability pension: Equal to 65% of lost wages subject to a ceiling of •95.38 for an employee with dependents, 40% if there are no dependents, and 45% if there are no dependents but the claimant is living with others who have no income. The pension is payable after 1 year of incapacity (the first year is paid under sickness benefit).

Minimum pension: •25.11 a day if there are no dependents; •28.01 a day for a person living alone; •35.08 a day with dependents.

Maximum pension: •39.69 a day if there are no dependents; •59.54 a day with dependents.

Benefit adjustment: Automatic periodic adjustment of benefits for retail price changes.

Survivor Benefits

Survivor pension: Equal to 80% of the old-age pension of the deceased insured.

Minimum pension: •9,102.11 a year if the worker was fully insured for the full qualifying period for the old-age pension. For survivors of workers with at least 2/3 of the full qualifying period, the minimum pension is reduced proportionately.

The survivor's pension plus the widow or widower's own pension entitlements may not exceed 110% of own pension. A widow or widower who is eligible for another pension receives the survivor pension for 12 months.

Vacation allowance: An annual payment of •475.94.

Funeral grant: A lump sum is payable under sickness insurance.

Means-tested allowances: Allowances are payable to needy survivors.

Benefit adjustment: Automatic periodic adjustment of benefits (except for the funeral grant) for retail price changes.

Administrative Organization

Ministry of Social Affairs, Public Health, and the Environment provides general supervision.

National Social Security Office is responsible for the collection of contributions and their distribution to national offices administering benefits.

National Pensions Office provides the administrative management of old-age and survivor pensions and the financial management of the program.

National Insurance Institute for Sickness and Disability provides the general administration of disability pensions.

Sickness and Maternity

Regulatory Framework

First law: 1894 (mutual benefit societies).

Current law: 1994.

Type of program: Social insurance system.

Coverage

Employed persons must be a member of a mutual benefit society or with the public auxiliary fund. Pensioners and other social security beneficiaries are also covered for medical benefits.

Special systems operate for self-employed persons (basic protection only) and seamen.

Voluntary affiliation is possible for persons not covered under compulsory coverage.

Source of Funds

Insured person: Medical benefits, 3.55% of earnings. Cash benefits and disability pensions, 1.15% of earnings. Pensioner, 3.55% of old-age and survivor pension (low-income pensioners are exempt from contribution).

Employer: Medical benefits, 3.8% of payroll. Cash benefits and disability pensions, 2.2% of payroll plus 0.15% to finance maternity benefits.

Government: Subsidy for the management of the social security system. Proceeds from a surcharge on automobile insurance and on hospitalization insurance premiums, and a tax on the profit made on reimbursable drugs.

Qualifying Conditions

Sickness and medical benefits: Six months of insurance, including 120 days of actual or credited work.

Maternity benefits: Six months of insurance preceding the expected date of childbirth.

Sickness and Maternity Benefits

Cash sickness benefit: 60% of average lifetime earnings (the basis salary taken into account for the calculation of sickness and disability benefits has a ceiling of •95.38 a day). After the 31st day of incapacity the entitlement is 55%; 60% if there are dependents or if the insured is the sole breadwinner. In general, benefits are not payable if the employer provides a guaranteed salary.

Cash maternity benefit: Benefit is payable for a maximum of 15 weeks (17 weeks in the case of multiple births), including a maximum of 7 weeks (9 weeks in the case of multiple births) before the expected date of childbirth (of which at least 1 week is compulsory), and a minimum of 8 weeks after childbirth. During the first 30 days, maternity benefits for active workers are 82% of the basis salary (no ceiling); for the unemployed or the disabled, 79.5% of the basis salary up to a maximum of •95.38 a day. Benefit from the 31st day to the end of the 15th week (17th week in the case of multiple births) equals 75% of the basis salary up to a maximum of •95.38 a day. Benefit after this date equals 60% of the basis salary up to a maximum of •95.38 a day.

Workers' Medical Benefits

The benefits provided include general and specialist care, surgery, hospitalization, medicines, laboratory services, maternity care, dental care, nursing, rehabilitation, transportation, and appliances. The insured person pays varying copayments depending on income and status. There is no limit to duration.

Dependents' Medical Benefits

Same as for the insured worker, above.

Administrative Organization

Ministry of Social Affairs, Public Health, and the Environment provides general supervision.

National Social Security Office collects contributions.

National Sickness and Invalidity Insurance Institute coordinates the program together with various management committees for cash and medical benefits.

Local agencies pay benefits, including about 78 approved mutual benefit societies, federated into five national unions, and a separate fund for railway employees. Benefits are paid by district offices of the public auxiliary fund for persons not belonging to a mutual society.

Work Injury

Regulatory Framework

First laws: 1903 (work accidents) and 1927 (occupational diseases).

Current laws: 1963 (occupational diseases) and 1971 (work accidents).

Type of program: Social insurance system.

Coverage

Employed persons, including casual labor. Special systems for public employees.

Source of Funds

Insured person: None.

Employer: Occupational injuries, 0.3% of payroll plus an insurance premium varying according to the assessed degree of risk. Occupational diseases, 1.10% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

90% of base earnings, payable until recovery or until permanent disability is established. Daily basis earnings equal 1/365 of the full-year earnings for the year preceding the accident. The full-year earnings taken into account must be between •4,977.75 and •24,888.75. The basis salary is adjusted annually.

Partial temporary disability: Equal to the difference between earnings prior to injury and current earnings (after partial take-up of work).

In cases of occupational diseases, temporary disability benefit (for total or partial disability) is not payable unless the disability lasts at least 15 days.

Benefit adjustment: Periodic adjustment of benefits for retail price changes in cases where benefit has been paid for 3 months.

Permanent Disability Benefits

Permanent disability pension: 100% of earnings if totally disabled.

Constant-attendance supplement: The level of the supplement depends on the degree of need of assistance based on the average minimum monthly salary required for a full-time worker (not paid from the 91st day of hospitalization).

Partial disability: Percentage of base earnings corresponding to the degree of permanent disability except where the

assessed degree of disability is less than 10% (reduced to half between 0% and 5% and to a quarter between 5% and 10%).

Benefit adjustment: Automatic periodic adjustment of benefits for retail price changes (except those for a disability of less than 16%).

Workers' Medical Benefits

Medical treatment, surgery, dental treatment, hospitalization, medicines, appliances, and transportation; full reimbursement according to schedule.

Survivor Benefits

Survivor pension: 30% of earnings of the deceased up to a maximum. The pension is payable to a widow or widower and to a divorced spouse who is receiving alimony. No payment to a cohabitant.

Orphan's pension: 15% of covered earnings of the deceased per orphan (20% if a full orphan) under age 18 (or older if entitled to family allowance).

Maximum orphan's pensions: 45% of covered earnings; 60% for a full orphan.

If no dependent children, other eligible survivors who were dependent on the deceased: Parent, grandchild, and brother or sister under age 18.

Maximum survivor pension: 75% of the earnings of the deceased.

Funeral grant: A lump sum of 30 days' earnings; the minimum is equivalent to the sickness benefit.

Transport costs: Includes administrative costs and the cost of transporting the body to the place of burial (even if abroad).

Benefit adjustment: Periodic adjustment of benefits for retail price changes.

Administrative Organization

Ministry of Social Affairs, Public Health, and the Environment provides general supervision.

Work injury: Work Injury Fund, a public interest organization, administers the program and is responsible for controlling the benefits paid by private companies.

Occupational diseases: Occupational Diseases Fund, a public interest organization, operates under the joint administration of employers and employees and is responsible for the compensation of injured workers.

Unemployment

Regulatory Framework

First law: 1920.

Current law: 1991.

Type of program: Social insurance system.

Coverage

Employed persons. Coverage is extended to stage performers, temporary workers, home workers, disabled workers, and professional sportsmen and sportswomen.

Source of Funds

Insured person: 0.87% of earnings.

Employer: 1.46% of earnings. Financing of additional unemployment benefits is in the framework of prepension collective agreements.

Government: Covers any deficit.

Qualifying Conditions

Unemployment benefit: Less than 36 years old with 312 days of insured employment or deemed employment in the last 18 months; between ages 36 and 50 with 468 days in the last 27 months; over 50 years old with 624 days in the last 36 months. Registered at an unemployment office. The person must be capable, willing, and available for work. Unemployment not due to voluntary leaving, discharge for misconduct, or unjustified refusal of suitable offer (disqualification for 8 weeks to 52 weeks; exclusion from readmission if deliberate intent).

Prepension supplement: Age 58 with 25 years of employment.

Unemployment Benefits

Based on the mean salary up to a ceiling of •58.83. Benefit depends on the category of insured and the period of unemployment. For the household head, benefit is 60% of basis salary during the entire period of unemployment; for a single person living alone, 60% during the first year and 44% thereafter; for a single person living with other people, 55% during the first year and 35% during a second period (the duration of which depends on the person's professional career record); thereafter a flat-rate daily benefit of •13.21.

Aged unemployment supplement: An unemployed person aged 50 or older with 20 years of employment and unemployed for 12 months can receive a monthly supplement set according to the level of lost earnings. Single persons aged 55 or older are guaranteed 60% of their previous salary level.

Job search benefit: A variable amount depending on age and family status awarded to unemployed persons under age 30 without a sufficient record of previous employment.

Prepension supplement: 50% of the difference between the monthly benefit and net earnings. The supplement is payable until the age of retirement.

Supplementary subsistence benefit: Benefits are payable to specified occupational groups to ensure minimum income. Benefit levels are set under collective agreement.

Benefit adjustment: Periodic adjustment of benefits for price changes.

Administrative Organization

Ministry of Employment and Labor provides general supervision.

National Social Security Office collects contributions.

National Employment Office makes decision on claims, supervises the paying agencies, and oversees employment policies through 30 regional offices.

Public payment offices, or trade unions for their own members, pay benefits at the local level.

Family Allowances

Regulatory Framework

First law: 1930.

Current laws: 1967, 1969, and 1971 (means-tested allowances).

Type of program: Employment-related system.

Coverage

Gainfully occupied persons or social insurance beneficiaries with one or more children.

Special systems for public employees and self-employed persons.

Families not covered above are eligible for means-tested allowances.

Source of Funds

Insured person: None.

Employer: 7% of payroll.

Government: Subsidies to employee and self-employed programs to cover any deficits.

Qualifying Conditions

Family allowances: Child must be under age 18 (age 21 if disabled or age 25 if a full-time student or seeking employment). Eligible children may include dependent grandchildren, brothers, sisters, stepchildren, and other dependent minors.

Income limit for means-tested allowances: •3,203.45 a quarter with one child, increasing by 20% for each additional child.

Family Allowance Benefits

Family allowances: •71.18 a month for the first child, plus a conditional supplement of •36.24 for a child of an old-age pensioner or of a person unemployed for at least 6 months (•77.97 for the child of a disabled person); •131.71 for the second child, plus a conditional supplement of •22.46 for the child of an old-age pensioner, a person unemployed for at least 6 months, or a disabled person; •196.66 for the third and each

subsequent child, plus a conditional supplement of •3.94 for the child of an old-age pensioner, a person unemployed for at least 6 months, or a disabled person.

Age supplement: •12.40 for the first child between ages 6 and 12, •18.88 for a child between ages 13 and 18, and •21.77 for a child older than age 18. For each subsequent child between ages 6 and 12, •24.73; between ages 12 and 18, •37.79; or older than age 18, •48.05.

Disabled child supplement: For a disabled child under age 21, a minimum of •320.25 a month (increased according to degree of disability).

Birth grant: •964.40 for the first birth, •725.60 for the second and subsequent births.

Means-tested allowance: Allowances are payable to families not eligible for regular allowances.

Benefit adjustment: Periodic adjustment of benefits for wage and price changes and other economic factors. Contributions under family allowances also are used to finance child care centers.

Administrative Organization

Ministry of Social Affairs, Public Health, and the Environment provides general supervision.

National Social Security Office collects contributions.

National Family Allowances Office distributes contributions among individual funds.

Family allowances are paid by about 32 approved private occupational, regional, and specialist funds and by two public administrations.

Bulgaria

Exchange rate: U.S.\$1.00 equals 2.18 leva.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1924.

Current law: 2000 (code for compulsory social insurance).

Type of program: Dual social insurance system and mandatory private insurance.

Note: A new system consisting of a mandatory social insurance first pillar plus a second pillar of individual accounts was implemented in January 2002. Coverage under the first pillar is universal. The mandatory private insurance under the second pillar covers all employees born after December 31, 1959.

Coverage

Employees, self-employed persons, artists, craftsmen, and farmers.

Source of Funds

Insured person: 21.75% of earnings (social insurance) and 0.5% of earnings (mandatory private insurance).

Self-employed person: 29% of declared income (social insurance) and 2% of declared income (mandatory private insurance).

Employer: 7.25% of payroll (social insurance) and 1.5% of payroll (mandatory private insurance).

Government: Any deficit in the public scheme.

Qualifying Conditions

Old-age pension (social insurance): Age 61 and 6 months (men) and age 56 and 6 months (women); to be increased by 6 months every year until 2009 when the retirement age will be age 63 (men) and age 60 (women). The insured's age plus the insured's length of insurance must be equal to at least 100 points for men and 90 points for women (individuals are awarded one point for each year of age as well as one point for each year of insurance coverage).

Disability pension for general disease (social insurance): No minimum period of affiliation for individuals under age 20 or the blind; 1 year for those aged 25 to 29; 3 years for those aged 30 to 40; and 5 years' affiliation for those above age 40.

Disability pension for work injury or occupational disease (social insurance): No minimum period of affiliation.

Survivor pension (social insurance): The deceased had 5 years of service (3 years if deceased was aged 20 to 25) or was a pensioner.

Old-age pension (mandatory private insurance): All employees born after December 31, 1959.

Social pension: Age 70 and income-tested, or 16 years of age with a reduced capacity to work of more than 71%.

Old-Age Benefits

Old-age pension (social insurance): One percent of taxable income for every year of insurance (prorated for any partial year) up to a maximum of four times the social pension).

Minimum pension is 115% of the social pension.

Old-age pension (mandatory private insurance): Benefits are paid as a life-long pension and are determined on the basis of the accumulated capital in the individual account of the members and life expectancy as established by the State Insurance Supervision Agency. Benefits are paid by the private fund and no annuity is bought.

Social pension: 44 leva a month.

Permanent Disability Benefits

Disability pension for general disease (social insurance): Based on the number of years of contributions, taxable income, and age of the insured if younger than retirement age. Depends on the degree of disability.

Disability pension for work injury or occupational disease (social insurance): Based on the number of years of contributions, taxable income, and age of the insured if younger than retirement age. Depends on the degree of disability.

Survivor Benefits

Survivor pension (social insurance): One survivor, 50% of the disability pension of the insured; two survivors, 75%; three or more survivors, 100%.

The minimum pension for each survivor is 90% of the social pension (44 leva a month).

Administrative Organization

National Social Security Institute administers the public social insurance scheme.

State Insurance Supervision Agency supervises the mandatory private scheme.

Sickness and Maternity

Regulatory Framework

First law: 1918.

Current laws: 1998 (health insurance law) and 2000 (code for compulsory social insurance).

Type of program: Social insurance.

Coverage

Cash benefits: Employees, self-employed persons, members of liberal professions, artists, craftsmen, and farmers. Covered individuals must be insured for all contingencies.

Medical care: Compulsory insurance for all residents.

Source of Funds

Insured person: Cash benefits, 0.75% of earnings. Medical care, 1.5% of earnings.

Employer: Cash benefits, 2.25% of payroll. Medical care, 4.5% of payroll.

Government: Cash benefits, none. Medical care, 80% of hospital care.

Qualifying Conditions

Cash sickness and maternity benefits: Six months of insurance period. No qualifying period is required for maternity benefit.

Medical care: Residence in the country.

Sickness and Maternity Benefits

Sickness benefit: 80% of the average daily gross wage or the average daily insurance basis for the 6 calendar months before the onset of sickness.

Maternity benefit: 90% of the daily insurance basis. The benefit is paid for a period of 135 days, commencing 45 days before the expected date of childbirth.

Funeral grant: Two minimum wages (or 200 leva).

Workers' Medical Benefits

Health insurance system introduced in 1999.

Medical services are provided directly to patients according to a National Framework contract between medical institutions and the National Health Insurance Fund and include general and specialist care in health centers, outpatient departments of hospitals, or at home; hospitalization; prescribed medicines; dental care; and necessary appliances.

Dependents' Medical Benefits

The same as for insured workers (see above).

Administrative Organization

National Health Insurance Fund.

National Social Security Institute.

Work Injury

Regulatory Framework

First law: 1924.

Current law: 2000 (code for compulsory social insurance).

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: None.

Employer: 0.7% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Calculated as 90% of earnings. Payable from the first day of incapacity until recovery or certification of long-term disability.

Permanent Disability Benefits

Permanent disability pension: Benefit depends on the degree of loss of work capacity, from 50% to 100%.

Minimum disability pension: Benefits are expressed as a percentage of the social pension (44 leva a month). If incapacity is determined to be more than 90%, 150% of the social pension is paid; if incapacity is between 71% and 90%, 140% of the social pension is paid; if incapacity is between 50% and 70%, 115% of the social pension is paid.

Survivor Benefits

Survivor pension: One survivor receives 50% of the work injury disability pension of the insured; two survivors receive a combined total of 75%; three or more survivors receive a combined total of 100%.

The minimum pension is 90% of the social pension (44 leva a month).

Administrative Organization

National Social Security Institute.

Unemployment

Regulatory Framework

First law: 1925.

Current law: 2002 (code for compulsory social insurance, amended 2002).

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: 1% of earnings.

Employer: 3% of payroll.

Government: None.

Qualifying Conditions

Unemployment benefit: Nine months of insurance period.

Unemployment Benefits

Calculated as 60% of average earnings for the last 9 months. The duration of benefit depends on the length of service and increases from 4 months of payment for the minimum service period of up to 3 years to 12 months of payment for more than 25 years of service.

Administrative Organization

National Social Security Institute.

Employment Agency of the Ministry of Labor and Social Policy.

Family Allowances

Regulatory Framework

First law: 1942.

Current law: 1968.

Type of program: Employment-related system.

Coverage

Employees, self-employed persons, artists, craftsmen, and farmers. Covered individuals must be insured for all social risks.

Special systems for students in higher education, families of military personnel, families of unemployed, and single mothers.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: No minimum qualifying period.

Family Allowance Benefits

Family allowances: 8.54 leva a month for each child below age 16 (or age 18 if the child attends secondary school); 36% of the minimum wage (100 leva) for a disabled child.

Birth grant: 100 leva on the birth of the first child, 200 leva for the second, 250 leva for the third, and 100 leva on the birth of each subsequent child.

Administrative Organization

National Social Security Institute.

Municipal Social Assistance Centers (for uninsured parents).

Croatia

Exchange rate: U.S.\$1.00 equals
8.308 Croatian kunas (HRK).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1998, implemented January 1999 (pension insurance); 1999, implemented January 2002 (compulsory and voluntary pension funds; insurance companies and pensions payment).

Type of program: Dual social insurance system and mandatory private insurance. Note: A two-pillar system was implemented in two stages in January 1999 and January 2002. Persons over age 50 when the new system was implemented are insured under the first pillar only and receive a regular pension. Participation in the two-pillar system is mandatory for persons up to age 40 and voluntary for those between ages 40 and 50; their first-pillar benefit is the basic pension, and the second-pillar benefit is based on assets in an individual account. The regular and basic pensions have different pension formulas. Benefits for disability and survivors insurance are paid under the first pillar only, and contributions paid to the individual account are transferred to the Croatian Pension Insurance Institute.

Coverage

Persons employed in industry, commerce, or services; public employees; and apprentices. Self-employed persons in nonagricultural and agricultural work.

Source of Funds

Insured person

Regular pension: Employees contribute 10.75% of earnings. The self-employed contribute 19.5% of the insurance base; self-employed farmers, 9.75%.

Basic pension: Employees contribute 8.75%. The self-employed contribute 14.5% of the insurance base; self-employed farmers, 4.75%.

Individual account: 5% of earnings.

Employer

Regular pension: 8.75% of payroll.

Basic pension: 5.75% of payroll for the basic pension.

Individual account: None.

Government

Regular and basic pension: Covers all or part of the costs as necessary for military officers, policemen, judiciary

officials, parliamentary deputies, members of government, and disabled war veterans.

Individual account: None.

Qualifying Conditions

Old-age pensions (regular and basic): In 2002, age 62 and 18 years of insurance coverage (men) or age 57 and 18 years of insurance coverage (women); the retirement age will increase by 6 months and the minimum qualifying period will be reduced by 6 months each calendar year until 2007. In 2008, the qualifying conditions will be age 65 and 15 years of insurance coverage (men) or age 60 and 15 years of insurance coverage (women).

Early retirement pension (anticipatory pension): In 2002, age 57 and 35 years of insurance coverage (men) or age 52 and 30 years of insurance coverage (women); the retirement age will increase by 6 months each year until it reaches 60 (men) and 55 (women) in 2008.

The retirement age of persons employed in arduous and unhealthy jobs is proportionately reduced.

Individual account: Age 65 (men) or age 60 (women). The retirement age of persons employed in arduous and unhealthy jobs is proportionately reduced. Must be covered by the basic pension.

Disability benefits: Permanent reduction in, or loss of, the ability to work that may be caused by an occupational or a nonoccupational injury or disease. The full amount is paid if the disability has resulted in loss of employment. For those still in employment, benefits are awarded in relation to the assessed degree of loss in work capacity. Higher awards are made for a disability resulting from a work injury or occupational disease.

General disability pension: A permanent loss of the ability to work due to incurable changes in health occurring prior to age 65 (men) or age 60 (women). Insurance coverage during at least 1/3 of the working life after age 20 (age 23 for insured persons with postsecondary education; age 26 for insured persons with a university degree). No minimum qualifying period if disability is the consequence of work injury or occupational disease.

Occupational disability pension: A 50% or more permanent reduction in the capacity to work occurring prior to age 65 (men) or age 60 (women). No minimum qualifying period.

Occupational rehabilitation and salary compensation:

Awarded until similar alternative employment is found, or during an unemployment period of 12 months after the completion of occupational rehabilitation (24 months if the disability is caused by an occupational injury or disease).

Compensation allowance for physical injury: Awarded to insured persons for the loss of, or damage to, a part of the body or of an organ resulting from an occupational injury or disease. Must have at least a 30% loss; awarded whether or not injury led to determination of disability.

Survivor pension: Deceased was a pensioner, occupational rehabilitation beneficiary, or insured person who had completed 5 years of insurance coverage or a 10-year

qualifying period or met the qualifying period conditions for a disability pension.

Old-Age Benefits

Old-age pension (regular pension): The amount of benefit depends on the level of wages earned in relation to the average wage of all employed persons.

Minimum pension: The amount is defined for every year of qualifying period as 0.825% of the average gross salary of all employees in the year of 1998. This amount (39.86 kunas from January 2002) is adjusted for inflation in the same way and at the same time as pensions (see benefit adjustment, below). The minimum pension is calculated by multiplying this amount by the qualifying period.

Maximum pension: The amount depends on the length of qualifying periods completed.

Benefits are payable abroad under reciprocal or international agreements.

Benefit adjustment: Benefits are adjusted every 6 months according to a joint index based on the change in the cost of living and the change in the national average gross salary.

Old-age pension (basic pension): The pension is based on the average gross salary of all employed persons in the preceding year, the number of years of personal coverage in the new system, and a personal coefficient.

Old-age pension (individual account): Based on assets in the individual account and average life expectancy.

Permanent Disability Benefits

Disability pension: The amount of benefit depends on the level of wages earned in relation to the average wage of all employed persons.

Minimum pension: The amount is defined for every year of qualifying period as 0.825% of the average gross salary of all employees in the year of 1998. This amount (39.86 kunas from January 2002) is adjusted for inflation in the same way and at the same time as pensions (see benefit adjustment, below). If the disability is caused by a work injury or an occupational disease, the number of years used for the calculation of a minimum pension is 40. The amount of the minimum pension is calculated according to years of coverage and the value of the minimum pension per qualifying year. The full amount is paid for the general disability pension; 66.6% of the general disability pension is paid for an unemployed person with an occupational disability; 33.3% if employed.

Maximum pension: The amount depends on the length of qualifying periods completed.

Benefits are payable abroad under reciprocal or international agreements.

Occupational rehabilitation and salary compensation: The same amount as occupational disability pension unless the disability was caused by a work injury or occupational disease,

in which case it is the same amount as the general disability pension based on a 40-year qualifying period.

Compensation allowance for physical injury: The award depends on the assessed percentage degree of physical damage. There is no minimum qualifying period.

Benefit adjustment: Benefits are adjusted every 6 months according to a joint index based on the change in the cost of living and the change in the national average gross salary.

Survivor Benefits

Survivor pension: The amount depends on the level of wages earned in relation to the average wage of all employed persons and the number of survivors.

Minimum pension: The amount is defined for every year of qualifying period as 0.825% of the average gross salary of all employees in 1998. This amount (39.86 kunas from January 2002) is adjusted for inflation in the same way and at the same time as pensions are adjusted (see benefit adjustment, below). If the death of the insured person was caused by a work injury or an occupational disease, the number of years for the calculation of a minimum pension is 40. The amount of the minimum pension is calculated using the number of years of coverage, the value of the minimum pension per qualifying year, and the number of survivors.

Maximum pension: The amount depends on the length of qualifying periods completed.

Eligible survivors: Widow(er) aged 50, caring for eligible children, or disabled. Children up to age 15 or age 18 if unemployed (26 if student, no limit if disabled). Widow aged 45 acquires the entitlement upon reaching age 50.

Benefits are payable abroad under reciprocal or international agreements.

Benefit adjustment: Benefits are adjusted every 6 months according to a joint index based on the change in the cost of living and the change in the national average gross salary.

Administrative Organization

Regular and basic pensions

Ministry of Labor and Social Welfare and the Ministry of Finance provide general supervision.

Croatian Pension Insurance Institute administers benefits.

Individual accounts

Ministry of Labor and Social Welfare and the Ministry of Finance provide general supervision.

Agency for the Supervision of Pension Funds and Insurance provides legal supervision.

Central Registry, pension companies, and pension insurance companies provide general administration services and administer benefits.

Sickness and Maternity

Regulatory Framework

First law: 1954.

Current law: 2001, implemented January 2002.

Type of program: Social insurance system (cash sickness and medical care).

Additional voluntary medical care and health insurance may be purchased from private insurance companies.

Coverage

Cash sickness benefit and medical care: Employed persons, public employees, self-employed persons, full-time apprentices, military servicemen, persons engaged in vocational training or completing postgraduate study abroad, and those employed by a foreign employer if they are not covered under the employer's country provisions.

Medical care only: Farmers, pensioners, unemployed persons, persons entitled to occupational rehabilitation, and persons up to age 18 (age 26 for students, disabled ex-servicemen without resources, dependents of the insured person, and self-contributors).

Source of Funds

Insured person: 9% of gross wage; farmers, 11%; self-employed persons, 16%.

Employer: 7% of payroll, plus 0.47% for work injury and occupational diseases.

Government: Contributions for certain categories of persons. Minimum contribution base: 1,800 kunas per month (persons with lower earnings contribute as though they earn 1,800 kunas).

Qualifying Conditions

Cash benefits and medical services: No minimum qualifying period. Entitlement to cash sickness benefit is determined by a designated doctor in a primary health care institution.

Sickness and Maternity Benefits

Sickness benefit: Benefits vary between 70% and 100% of the average monthly salary earned in the preceding 6-month period; 100% of the average monthly salary is paid during sickness due to a work injury or occupational disease, participation in the Homeland War, or sickness resulting from pregnancy and childbirth. Benefit is payable up to a maximum of 14 months depending on the prescribed category of disease. The employer pays for the first 42 days.

Minimum benefit is 1,600 kunas a month; maximum is 4,250 kunas a month.

Maternity benefit: 100% of salary payable until the child is 6 months (from 28 days to 45 days before expected date of childbirth). Additional benefit payable until the child attains the age of 1 year (for the first and second child) or age 2 (for twins).

Minimum benefit is 1,600 kunas a month; maximum is 4,250 kunas a month until the child is 6 months old; 1,600 kunas a month after that until the child is 1 year old (or 2 years old in the case of twins).

Unemployed mothers receive 600 kunas a month during the entire maternity period.

Maternity grant: A lump sum of 1,360 kunas.

Funeral grant: A lump sum of 850 kunas.

Workers' Medical Benefits

Medical benefits: Benefits are provided by public and private health institutions contracted with the Croatian Institute for Health Insurance. Benefits include primary and specialist treatment, hospitalization, orthopedic and other aids, dental care, approved pharmaceuticals, laboratory services, maternity care, preventive care services, emergency aid, rehabilitation services, appliances, and transportation.

Cost-sharing by patients varies according to the nature of the service provided. There are free services for children under age 18, persons with low income, disabled persons needing constant assistance, and disabled homeland veterans.

Dependents' Medical Benefits

Medical benefits: Benefits are provided by public and private health institutions contracted with the Croatian Institute for Health Insurance. Benefits include primary and specialist treatment, hospitalization, orthopedic and other aids, dental care, approved pharmaceuticals, laboratory services, maternity care, preventive care services, emergency aid, rehabilitation services, appliances, and transportation.

Cost-sharing by patients varies according to the nature of the service provided. There are free services for children under age 18, persons with low income, disabled persons needing constant assistance, and disabled homeland veterans.

Administrative Organization

Ministry of Health provides general supervision.

Croatian Institute for Health Insurance, with 20 district offices, administers benefits. A managing council governs the Croatian Institute for Health Insurance.

Work Injury

Regulatory Framework

There is no specific scheme for work injury. Work injury benefits are provided under old-age and disability insurance (see Old Age, Disability and Survivors, above) and health

insurance (see Sickness and Maternity, above). If the assessed illness or disability is the result of a work injury or an occupational disease, benefits are granted under more favorable conditions and at higher rates than general sickness and disability benefits.

Unemployment

Regulatory Framework

First law: 1952.

Current law: 1996.

Type of program: Social insurance system.

Coverage

Employed persons, public employees, and military personnel.

Source of Funds

Insured person: 0.85% of gross earnings.

Employer: 0.85% of payroll.

Government: Periodic subsidies as well as the total or partial cost of benefits for certain categories of persons.

Qualifying Conditions

Unemployment benefit: 9 months of uninterrupted employment or, if with interruptions, 12 months of employment in last 18 months. No qualifying period required for unemployed mothers caring for children less than 1 year of age, for twins, or a third and any other subsequent children under 2 years of age.

Payable for 78 days to 312 days depending on the duration of previous employment.

Unemployed older workers with 30 years (men) or 25 years (women) of employment or within 5 years of retirement are covered until they are reemployed.

Benefit may be extended to women during pregnancy and until the child is 1 year old (or 2 years old in the case of twins) if not entitled to benefits under another program. May be extended during temporary incapacity for work for up to 12 months and while undergoing vocational training.

Persons whose employment ceased as a result of willful misconduct or by agreement with the employer are not entitled to unemployment benefit.

Unemployment Benefits

Unemployment benefit: 80% of the base wage (average wage for the last 3 months) is payable for 78 days; 60% of the base wage during the rest of the entitlement period. The minimum benefit is 725 kunas a month; maximum benefit is 900 kunas a month.

Unemployment assistance: Payable at 725 kunas a month to unemployed people who participate in vocational training and who are not eligible for unemployment benefit.

Administrative Organization

The Croatian Employment Institute administers the program through its central office and 22 regional and 93 local offices. It is managed by a tripartite committee.

Family Allowances

Regulatory Framework

First law: 1949.

Current law: 2001, implemented January 2002.

Type of program: Social assistance system.

Coverage

Parents (including foster parents, tutors, stepparents, and grandparents) who are Croatian citizens (or foreign citizens with a permit for permanent settlement) and are resident in Croatia. Children must be under age 16 (children may be older if in regular secondary schooling or disabled).

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances (children allowance): Children under the age of 15 (under age 19 if a student of secondary education, until age 21 in the case of illness, or until age 27 if seriously disabled). No allowance is granted if the child is permanently placed in a specialized institution.

No qualifying period is required for employed single parents.

Family Allowance Benefits

Family allowances (children allowance): Entitlement is means-tested in relation to total household income for the year before the one in which the claim is made (up to a ceiling of 40% of the state budget base of 3,326 kunas).

Households whose income does not exceed 40% of the state budget base (1,330.40 kunas) receive a minimum means-tested benefit equal to 5% of the state budget base.

Households whose income does not exceed 20% of the state budget base receive a minimum means-tested benefit equal to 9% of the state budget base.

Allowances for eligible single-parent households are awarded at a rate that is 15% higher than the means-tested award.

Allowances for eligible full orphans and for eligible households with disabled children are awarded at a rate 25% higher than the means-tested award.

Administrative Organization

Ministry of Labor and Social Care provides general supervision.

State Institute for the Protection of Family, Maternity, and Youth provides legal supervision.

Croatian Pension Insurance Institute administers the program.

Cyprus

Exchange rate: U.S.\$1.00 equals 0.65 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956.

Current laws: 1980 (social insurance) and 1995 (social old-age pension).

Type of program: Dual social insurance and noncontributory social old-age pension system.

Coverage

Employed and self-employed persons aged 16 to 64.

Voluntary coverage for formerly covered persons and for Cypriots working abroad for Cypriot employers.

Social old-age pension is available to persons aged 65 who are not entitled to a pension or similar payment from any source.

Source of Funds

Insured person: 6.3% of earnings; self-employed, 11.6% of earnings; voluntarily covered, 10% of earnings.

Employer: 6.3% of payroll. No contributions for social old-age pension.

Government: 4% of earnings. Total cost of social old-age pension.

Above contributions also finance cash sickness, maternity, work injury, and unemployment benefits.

Maximum earnings for contribution purposes are £412 a week.

Qualifying Conditions

Old-age pension: Age 65. Age 63 if weekly average of paid and credited earnings is at least equal to 70% of weekly basic earnings.

Minimum 3 years' contributions and earnings in lower band (covered earnings up to basic earnings level) are 156 times weekly basic earnings, and weekly average earnings (paid and credited) since 1964 or age 16 are 25% of basic earnings.

Widow may substitute husband's coverage record for her own for period prior to his death.

Lump-sum payment: Payable at age 68 to persons who do not meet contribution conditions; persons who satisfy first but not second condition receive lump sum of 15% of total covered earnings.

Retirement necessary for miners aged 58 to 63.

Social pension: Age 65 and 20 years' residence after age 40, or 35 years after age 18.

Disability pension: Permanent incapacity for work.

Contribution conditions are same as for old-age pension, above, plus paid or credited contributions in previous year must correspond to at least 20 times weekly basic earnings. (Alternatively, average of 20 times basic earnings in last 2 years.) If disability is caused by accident, same qualifying conditions apply as for cash sickness benefit.

Survivor pension: Contribution conditions are same as for Old-age pension. (Lump sum is paid if qualifying conditions are not met.) If death is caused by accident, same qualifying conditions apply as for cash sickness benefit.

Orphan's pension: The deceased was insured and supported the child; for full orphans, one of the parents was insured.

All pensions payable abroad.

Old-Age Benefits

Old-age pension: Basic pension is equal to 60% of average basic insurable earnings, plus supplementary pension equal to 1.5% of insurable earnings above basic insurable earnings.

Dependent supplement: Husband receives 1/3 of basic pension for first dependent, 1/6 for the second and third dependents. Wife receives 1/6 of basic pension for each dependent other than husband (maximum two dependents). Husbands who are incapable of self-support are considered as dependent, and the basic pension increases by 1/3 for first dependent and by 1/6 for the second and third dependents.

Schedule of payments: Pensions are paid 13 times a year.

Lump-sum payment: 15% of total paid and credited earnings.

Social pension: £133.63 a month.

Benefit adjustment: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year. (In January, basic part is adjusted according to wages and supplementary part according to prices; in July, basic part and supplementary part are adjusted according to prices.)

Permanent Disability Benefits

Disability pension: Same as old-age pension, including dependent supplement.

Schedule of payments: Pensions are paid 13 times a year.

Medical services are provided in government hospitals and dispensaries.

Benefit adjustment: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year. (In January, basic part is adjusted according to wages and supplementary part according to prices; in July, basic part and supplementary part are adjusted according to prices.)

Survivor Benefits

Survivor pension: Same as old-age pension, above, plus 60% of supplementary old-age pension. Payable to widow or to dependent disabled widower.

Lump-sum payment: Equal to 1 year's pension, payable upon remarriage.

Orphan's pension: £54.99 a week, plus 30% of supplementary old-age pension (60% divided equally among two or more orphans) to each full orphan under age 15 (under 23 if female, 25 for males if student or in military service, no age limit if disabled).

Lump sum equal to 1 year's orphan's pension payable on termination of pension due to age.

Benefit for half orphan is £27.50 a week for first orphan and £13.75 per week for second and third.

Schedule of payments: Pension is paid 13 times a year.

Missing person's benefit: Same as old-age pension, including dependent supplement.

Funeral grant: £283 upon death of insured or pensioner, £141.50 upon death of dependent.

Benefit adjustment: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year. (In January, basic part is adjusted according to wages and supplementary part according to prices; in July, basic part and supplementary part are adjusted according to prices.)

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers the program.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Sickness and Maternity

Regulatory Framework

First law: 1956.

Current law: 1980.

Type of program: Dual social insurance for cash benefits and national health service for medical care.

Coverage

Cash benefits: Employed and self-employed persons aged 16 to 63.

Voluntary coverage for Cypriots aged 16 to 63 working abroad for Cypriot employers. Persons between ages 64 and 65 are covered only if they are not entitled to old-age pension.

Medical care: All residents of limited means, public employees, police, and members of the armed forces.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above. Also, total cost of medical care.

Qualifying Conditions

Sickness benefit: Twenty-six weeks of paid contributions and 20 contributions paid or credited in last year. After entitlement is exhausted, person can requalify upon payment of 26 contributions.

Maternity benefit: Twenty-six weeks of paid contributions and 20 contributions paid or credited in last year.

Cash maternity grant: Twenty-six weeks of paid contributions and 20 contributions paid or credited in last year.

Medical benefits: All residents of limited means, public employees, police, and members of the armed forces.

Sickness and Maternity Benefits

Cash sickness benefit: 60% of basic average insurable earnings in last year, plus supplement of 50% of average earnings above basic amount in last year, up to maximum of twice basic insurable earnings.

Dependent supplement: One-third of basic benefits for a dependent spouse and 1/6 for other dependents (maximum to two dependents). A spouse is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Maximum cash benefit and supplements are £137.48 a week.

Payable after 3-day waiting period (18 days for self-employed) for up to 52 weeks (minimum is 26 weeks).

Cash maternity benefit: 75% of average insurable earnings during the last year.

Payable for 16 weeks beginning between the 6th and 2nd week before expected date of birth.

Payable for 14 weeks to stepmothers for adopted children if the adoption takes place before the child is age 13.

Maternity grant: £283 (payable also to nonworking wife of insured).

Workers' Medical Benefits

Medical services provided directly to patients in government hospitals and dispensaries. Includes medical treatment, hospitalization, maternity care, and medicines.

Dependents' Medical Benefits

Same as for insured person.

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers cash benefits.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Ministry of Health provides medical services through government hospitals.

Work Injury

Regulatory Framework

First law: 1942.

Current law: 1980.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

£41.24 a week.

Dependent supplement: One-third of basic benefits for a dependent spouse and 1/6 for other dependents (maximum to two dependents). A spouse (male or female) is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Minimum benefit and supplements are £68.74 a week.

Supplementary benefit is 50% of average insurable earnings above basic in last year, up to a maximum of twice basic insurable earnings.

Maximum benefit and supplements are £137.40 a week payable after 3-day waiting period for up to 12 months.

Permanent Disability Benefits

Permanent disability pension: £41.24 a week. Supplementary permanent disability pension is 60% of average earnings above basic earnings in last 2 years.

Partial disability: Percentage of full pension proportionate to degree of incapacity (20% to 99% disablement) or lump sum (10% to 19%).

Dependent supplement: One-third of basic benefits for a dependent spouse and 1/6 for other dependents (maximum to two dependents). A spouse (male or female) is dependent if he or she is not working or is not receiving any benefit from the Social Insurance Fund.

Benefit adjustment of earnings and pensions: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year. (In January, basic part is adjusted according to wages and supplementary part according to prices; in July, basic part and supplementary part are adjusted according to prices.)

Constant-attendance supplement: £20.64 a week.

Workers' Medical Benefits

Necessary medical treatment and hospitalization in government dispensaries and hospitals.

Survivor Benefits

Survivor pension: Same as basic permanent disability pension, plus 60% of supplementary permanent disability pension. Payable to widow or to dependent disabled widower.

Lump-sum payment: Equal to 1 year's pension, payable upon remarriage.

Orphan's pension: £27.50 a week, plus 30% of supplementary permanent disability pension (60% divided equally among two or more orphans) to each full orphan under age 15 (under 23 if female, 25 for males if student or in military service, no age limit if disabled).

Lump sum equal to 1 year's orphan's pension payable on termination of pension due to age.

Benefit for half orphan is £13.75 a week for first orphan and £6.88 a week for second and third.

Dependent parent (if no spouse or child): £27.50 a week plus 30% of supplementary permanent disability pension.

Funeral grant: £283.

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers contributions and cash benefits.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Unemployment

Regulatory Framework

First law: 1956.

Current law: 1980.

Type of program: Social insurance system.

Coverage

Employed persons aged 16 to 63 (including voluntarily insured persons who work for Cypriot employers abroad).

Employed persons aged 64 to 65 are covered only if they are not entitled to old-age pension.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Six percent of total contributions paid by insured persons, employers, and government toward old-age, disability, and survivors benefits are transferred to the Unemployment Benefit Account to finance unemployment benefit.

Qualifying Conditions

Unemployment benefit: Twenty-six weeks of paid contributions and 20 contributions paid or credited in last year. After entitlement is exhausted, requalification upon payment of 26 weeks of contributions. Capable of and available for work; weekly reporting at employment exchange. If unemployment is due to voluntary leaving, misconduct, direct participation in trade dispute, refusal of suitable offer, or failure to avail self of job opportunity, disqualification for up to 6 weeks.

Unemployment Benefits

Same as cash sickness benefit, including supplements. Payable after 3-day waiting period (30 for voluntarily insured) for 26 weeks.

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers the program.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Family Allowances

Regulatory Framework

First laws: 1987 (child benefit) and 2000 (mother's allowance).

Type of program: Universal system.

Coverage

Child benefit: All residents with four or more children.

Mother's allowance: Mothers residing in Cyprus who have had at least four children but are not entitled to child benefit.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Child benefit: Residence in country. Family must include four or more dependent children. A child is dependent if under age 15; between ages 15 and 18 and unmarried; between ages 18 and 25 and in military service; attending full-time education and between ages 18 and 25 if male or ages 18 and 23 if female; has a disability irrespective of age.

Mother's allowance: Mothers residing in Cyprus who have had at least four children but are not entitled to child benefit.

Family Allowance Benefits

Child benefit: £31.35 a month for each dependent child.

Mother's allowance: £31.35 a month for each dependent child.

Benefit adjustment: Benefits are adjusted in January each year according to changes in the cost-of-living index.

Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administers the program.

Program is directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Czech Republic

Exchange rate: U.S.\$1.00 equals
36.44 koruna (CZK).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1906 (salaried employees) and 1924 (wage earners).

Current law: 1995.

Type of program: Social insurance system.

Coverage

Employees, members of assimilated groups, including certain groups of students, farmers, artists, the unemployed, carers, military personnel, and the self-employed. Voluntary coverage is available to certain categories of persons, including persons employed abroad.

Source of Funds

Insured person: 6.5% of earnings.

Employer: 19.5% of payroll.

Government: Any deficit.

Qualifying Conditions

Old-age pension: Since January 1, 1996, the retirement age has been gradually increasing by 2 months per year for men and by 4 months per year for women. The target retirement age, from January 1, 2007, is age 62 (men) and age 57 to 61 years (women), according to number of children raised. Retirement will be based on 25 years of insurance (15 years if aged 65). In 2002, the retirement age is 61 years and 2 months (men); age 55 and 4 months or age 59 and 4 months (women). Substantial limitation of work is necessary during the first 2 years following the retirement age.

Early retirement: Retirement is possible up to 3 years before the normal retirement age. All employment must cease.

Disability pension: Total disability (66% loss of earning capacity) or partial disability (33% loss of earning capacity) with 5 years of insurance in the last 10 years (up to 4 years if under age 28).

Survivor pension: Deceased met pension requirements or was a pensioner at the time of death.

Old-Age Benefits

Old-age pension: The pension is calculated from two elements: a flat-rate basic amount of 1,310 CZK plus an earnings-related percentage amount calculated from the personal assessment base (PAB) and the number of years of insurance.

PAB: Originally based on the average gross earnings over the 10 years preceding retirement, this period is being extended by 1 year every year until it reaches a total of 30 calendar years. Currently, this period covers all years since 1985. The value of the old-age pension is calculated using 1.5% of the personal assessment base per year of insurance (no maximum). Monthly earnings are variably included within the personal assessment base as follows:

- Up to 7,100 CZK, 100% inclusion.
- 7,100 CZK to 16,800 CZK, 30% inclusion.
- Over 16,800 CZK, 10% inclusion.

Minimum pension: The minimum pension is 2,080 CZK, calculated as the basic amount of 1,310 CZK plus a percentage amount of 770 CZK.

Deferred retirement: For every 90 days of economic activity during which the claim for an old-age pension is postponed, an increase of 1.5% of the personal assessment base is provided.

Temporarily reduced early pension: Available 2 years prior to the normal retirement age provided that the insured person (1) has accumulated a minimum of 25 years of insurance and has been registered with a Labor Office as a job applicant for at least 180 days, or (2) has received a partial or a full disability pension for at least 5 years and entitlement to a disability pension has expired within 5 years of reaching normal retirement age. The pension is reduced by 1.3% of the personal assessment base for every (even incomplete) period of 90 days prior to normal retirement age, but the pension is fully restored upon reaching normal retirement age.

Permanently reduced early pension: Available up to 3 years prior to normal retirement age; the actual date of retirement is left to the claimant's discretion. The claimant must have at least 25 years of contributions. The pension is reduced by 0.9% for every (even incomplete) 90-day period preceding the normal retirement age. This reduction is permanent and continues after the recipient reaches normal retirement age.

Permanent Disability Benefits

Disability pension: The full disability pension is calculated as a basic amount of 1,310 CZK plus a percentage amount calculated from the personal assessment base (1.5% of the calculation base for every year of insurance). The anticipated insurance period is credited to the pension from the onset of the disability to the normal retirement age.

Minimum disability pension: The minimum disability pension is 2,080 CZK, calculated as the basic amount of 1,310 CZK plus a percentage amount of 770 CZK.

There is no maximum disability pension.

Partial disability: Calculated as a basic amount of 1,310 CZK plus a percentage amount set at 0.75% of the personal assessment base for every year of insurance.

Minimum partial disability pension: The minimum partial disability pension is 1,695 CZK plus a percentage amount of 385 CZK.

There is no maximum partial disability pension.

Survivor Benefits

Widow and widower pension: Calculated as a basic amount of 1,310 CZK plus 50% of the percentage amount of the deceased's pension. Payable to all widows or widowers for 1 year; thereafter, only to widows aged 55 or widowers aged 58, or any age if disabled, caring for dependent or disabled child or for disabled parent.

Orphan's pension: Calculated as a basic amount of 1,310 CZK plus 40% of the percentage amount of the deceased's pension for each dependent child (for full orphans, the basic amount is payable only once).

The value of the pension is increased due to disability. In the case of partial incapacity, the value is increased by 20% of the subsistence minimum; in the case of a predominant incapacity, by 40%; or in the case of complete incapacity, by 75%.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision and is responsible for policy development for all areas of social security except health insurance.

Czech Social Security Administration collects and administers contributions and delivers benefits through its Central Administration and 76 District Administrations.

Sickness and Maternity

Regulatory Framework

First law: 1888.

Current laws: 1956 (cash sickness benefits), 1968 (maternity benefits), and 1997 (public health insurance).

Type of program: Social insurance system and public health insurance system.

Coverage

Cash benefits: Employees, members of industrial production cooperatives, and advanced students. For self-employed persons, sickness insurance is voluntary.

Medical benefits: All permanent residents in the Czech Republic or employees whose employer is resident in the Czech Republic.

Health insurance: All permanent residents in the Czech Republic or employees whose employer is resident in the Czech Republic.

Source of Funds

Insured person: Cash sickness and maternity benefits, 1.1% of earnings. Medical care, 4.5%.

Employer: Cash sickness and maternity benefits, 3.3% of payroll. Medical care, 9% of payroll.

Government: Cash sickness and maternity benefits, any deficit. Health care, any deficit and full payments for special categories of covered people.

Qualifying Conditions

Cash sickness benefits: Compulsory for all employees; voluntary for the self-employed. Only those with gross earnings over 400 CZK a month or those working more than 7 days a month are insured. A doctor's certificate is required from the first day of illness onward in order to prove incapacity. Neither a minimum period of employment nor any minimum period of residence is required. There is no waiting period.

Cash maternity benefits: 270 days of insurance in the 2 years preceding childbirth, loss of earnings, childbirth or taking substitute care of a child (substitute carers may include men), and medical confirmation of pregnancy.

Cash medical benefits: Currently insured. No minimum period of coverage. Eligibility continues for 6 weeks after coverage ceases.

Sickness and Maternity Benefits

Sickness benefit: For the first 3 days, 50% of the daily assessment base (DAB); from the 4th day, 69% of the DAB.

The daily assessment base is calculated using gross earnings, which are included as follows:

- Gross earnings up to 480 CZK, 100% inclusion.
- Gross earnings from 480 CZK to 690 CZK, 60% inclusion.
- Gross earnings over 690 CZK, not included.

The minimum earnings for the calculation of sickness benefit is 606 CZK a day.

Benefit is payable from the first day of incapacity for up to 1 year, or 2 years if recovery is likely.

Maternity benefit: 69% of the daily assessment base (as calculated for cash sickness benefit).

The maximum maternity benefit is 419 CZK a day.

Payable for 28 weeks (37 weeks for a single mother and for multiple births) including at least 6 weeks before the expected date of childbirth.

Workers' Medical Benefits

Health care is provided free of charge under the scope and conditions stipulated by law. Health care includes medical treatment in outpatient and inpatient care facilities, emergency and rescue services, preventive care, the provision of drugs, medical aid and appliances, stomatologic (diseases of the mouth) treatment, spa treatment, the care of children in special medical institutions and convalescent homes, preventive care provided in enterprise and factory surgeries, transportation of the sick, refunding of travel costs, medical assessment, and the examination of deceased insured persons and autopsy including the transportation of the dead. There is no limit to duration.

Dependents' Medical Benefits

The Czech health insurance system is based on individual insurance for each person. There are no substitution payments.

Administrative Organization

Czech Social Security Administration collects and administers contributions and delivers cash sickness benefits through its Central Administration and 76 District Administrations. Organizations with more than 25 employees pay sickness benefits.

Ministry of Labor and Social Affairs provides general supervision for health insurance. Subsidiary offices, on a regional and district level, administer cash benefits.

Ministry of Health provides general supervision for medical services. Medical services are provided in state and private outpatient and inpatient care facilities on the basis of contracts set up with individual insurance companies.

Work Injury

Regulatory Framework

First law: 1887.

Current laws: 1956 (short-term benefits), 1990 (self-employed), and 1995 (pensions).

Type of program: Social insurance (liability for damage).

Source of Funds

Insured person: None.

Employer: Statutory insurance of employer's liability.

Government: Any deficit between statutory insurance and compensation paid.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Paid in cases of physical discomfort, pain, and injury.

Permanent Disability Benefits

Compensation for loss of earnings.

Workers' Medical Benefits

Medical expenses are paid.

Survivor Benefits

Survivor maintenance grant: A lump sum of 80,000 CZK for an orphan; a lump sum of 50,000 CZK for a spouse.

Medical expenses: See Workers' Medical Benefits, above.

Funeral grant: A lump sum of 10,000 CZK.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision for the provision of temporary and permanent disability benefits and survivor pensions. Czech Social Security Administration collects and administers contributions and delivers benefits through its Central Administration and 76 District Administrations. Administrative roles are also played by two insurance companies and by large-scale employers.

Ministry of Health provides general supervision for the provision of medical benefits.

Unemployment

Regulatory Framework

First law: 1991.

Current laws: 1992 and 1997 (amendment).

Type of program: Social insurance system.

Coverage

Czech Republic citizens (and aliens permanently resident in the Czech Republic), at least 15 years old, and capable of working.

Source of Funds

Insured person: 0.4% of earnings.

Employer: 3.2% of payroll.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Registered with the Labor Office as looking for work. Employment for at least 12 months in the past 3 years.

Substitute periods can be considered as periods of employment and include basic military service and care for a child up to age 3.

Unemployment Benefits

Paid at 50% of earnings during the first 3 months; 40% for next 3 months; 60% in case of retraining.

The maximum benefit is 10,250 CZK per month; 11,480 CZK in the case of retraining.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

Ministry of Labor and Social Affairs offices and District Administrations of the Czech Social Security Administration administer benefits.

Family Allowances

Regulatory Framework

First law: 1945.

Current law: 1995.

Type of program: Universal system.

Coverage

Families with children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Dependent child (up to age 26 if a student).

Family Allowance Benefits

Family allowances: Means-tested allowances. If family income is below 1.1 times the living minimum, the benefit is equal to 32% of the living minimum of children for each child; if family income is from 1.1 times to 1.8 times the living minimum, 28% of the living minimum of children for each child; if family income is from 1.8 times to 3 times the living minimum, 14% of the living minimum of children for each child; if family income is over 3 times the living minimum, there is no entitlement.

Birth grant: Paid at four times the living minimum of children.

Parents' allowance: If caring at home for a child of up to age 4, the allowance is 1.1 times the living minimum of adults.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

District Administrations of the Czech Social Security Administration administer benefits.

Denmark

Exchange rate: U.S.\$1.00 equals 8.34 kroner.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1891 (old age) and 1921 (disability).

Current laws: 1964 (labor-market supplementary pension, ATP) and 1998 amendment (special pension savings scheme, SP, effective January 1999), 1984 (universal old-age and disability pensions) and amendments, and 1986 (partial early retirement pension) and amendments.

Type of program: Dual universal and social insurance systems.

Coverage

Universal basic and universal supplement pensions:

Resident citizens aged 16 to 66 years; aliens meeting the minimum residency requirements or covered by reciprocal agreements.

Labor-market supplementary pension (ATP): Employees aged 16 to 66 (including persons on parental leave and recipients of cash sickness or unemployment benefits). Coverage is optional for the self-employed and for recipients of disability pensions or early retirement benefits (see Unemployment, below).

Special pension savings scheme (SP): Employees aged 16 to 66 (including persons on parental leave, recipients of cash sickness or unemployment benefits), and the self-employed.

Source of Funds

Insured person

Universal basic and universal supplement pensions: None.

ATP: Up to the maximum of 894 kroner a year for a full-time worker. Recipients of unemployment benefits, sickness and maternity benefits, and certain vocational training benefits pay double contributions.

SP: 1% of gross income (effective January 2001).

Employer

Universal basic and universal supplement pensions: None.

ATP: Up to a maximum of 1,788 kroner (for a full-time worker) per employee per year.

SP: None.

Government

Universal basic and universal supplement pensions: Total cost.

ATP: Up to a maximum of 1,788 kroner (for a full-time worker) per year for recipients of social assistance benefits. Contributions are paid in doubled amounts for recipients of unemployment benefits, sickness and maternity benefits, and certain vocational training benefits.

SP: None.

Qualifying Conditions

Old-age pensions

Universal basic and universal supplement pensions: The universal basic old-age pension (earnings-tested) and the universal old-age supplement (income-tested) are payable from age 67; at least 3 years' residence from age 16 through age 66.

Full pension: 40 years' residence (benefits prorated if fewer years of residence). Payable abroad.

Universal partial early retirement pension: Aged 60 to 66, employed full time for at least 10 out of the last 20 years; must continue to work for 12 to 30 hours a week.

ATP: Payable at age 67. Benefits are actuarially related to the individual's contributions and contribution record. No earnings or income test. Full ATP pension requires a full and continuous contribution record since the start of program in 1964 (or from age 16 if later). Payable abroad.

SP: Payable at age 67. Benefits are based on the capital accrued in the individual's account. No earnings or income test. Payable abroad.

Disability pensions

Universal disability (anticipatory) pensions: The universal basic disability pension (income-tested) and the universal disability supplement (also income-tested) are payable at ages 18 to 66 with at least 3 years' residence from age 15, if working capacity is reduced by at least 50% due to physical, mental, or social reasons (including age, education, occupation, employment history, and marital status).

Full pension: Residence for at least 4 to 5 of the years between age 15 and the day the pension payment is expected.

Disablement supplement (no test): Partial compensation of special expenses for physical or mental impairment calculated in terms of reduced working capacity.

Unemployment supplement (no test): Partial compensation for total loss in earning capacity due to 100% physical or mental impairment.

Permanent total (maximum) disability pension: 100% disabled due to physical or mental impairment. Benefit is payable through age 66 if initial claim for pension takes place between ages 18 and 59 (see permanent severe disability, below, if initial claim takes place between ages 60 and 66).

Permanent severe (medium) disability pension: 2/3 disabled due to physical or mental impairment if initial claim takes place between ages 18 and 59; 100% disability if initial claim takes place between ages 60 and 66.

Partial (low or early) disability pension: At least 50% disabled due to physical, mental, or social reasons; aged 18 to 66.

Early pension supplement to partial disability (no income test): Partial compensation for expected higher living expenses for younger pensioners. Benefit is payable at ages 18 to 59 if work capacity is reduced by at least 50% due to physical, mental, or social reasons (income test required if disability is caused by both health and social reasons or by social reasons only). Payable abroad.

Disability allowance (no income test): Aged 18 to 66 years, ineligible for a pension due to high earnings, but medically certified to have at least a 2/3 loss in work capacity and deafness resulting in serious communication problems.

Outside assistance allowance (no income test): Aged 18 to 66 years and requiring personal assistance by a third person and in cases of blindness or severe vision impairment.

Constant-attendance allowance (no income test): Aged 18 to 66 years and requiring constant care or care by a third person.

ATP: Not payable for disability.

SP: Not payable for disability.

Survivor pension

Universal pensions: Eliminated in 1984, benefits payable to surviving spouse under old-age or disability pensions if eligible in his or her own right.

Orphans under age 18 are eligible for benefits under Family Allowances.

ATP: A lump sum is payable to a surviving spouse and each child under age 18.

SP: The capital accrued in the individual account of the deceased is transferred to the estate.

Old-Age Benefits

Universal old-age pension: The universal basic old-age pension (earnings-tested) is 4,377 kroner a month.

The universal old-age supplement (income-tested) is 4,406 kroner a month (single pensioners); 2,056 kroner a month (others).

The maximum universal partial early retirement pension is 86,892 kroner a year if work is reduced to 12 hours a week.

Benefit adjustment: Automatic annual adjustment of pensions and benefits based on wage growth.

ATP: Pension entitlement depends on the individual's contribution record. The maximum annual pension for new pensioners having paid full contributions from 1964 to 2002 is 21,000 kroner.

Benefit adjustment: Accrued pension rights and payable pensions under the ATP are adjusted through bonus allowances.

SP: Pension entitlement depends on the individual's contribution record. The capital in the individual SP accounts is adjusted annually in accordance with the SP's investment return. Benefits are paid in installments over a 10-year period.

Lump-sum payments are awarded for pensioners with relatively modest capital balances.

Permanent Disability Benefits

Universal disability (anticipatory) pensions

Permanent total (maximum) disability pension: If 100% disabled, the benefits payable are:

- Universal basic disability pension (income test) of 4,377 kroner a month,
- Universal disability supplement (income test) of 4,406 kroner a month,
- Disablement supplement (no income test) of 2,129 kroner a month,
- Unemployment supplement (no income test) of 2,939 kroner a month.

Permanent severe (medium) disability pension: If work capacity is reduced by at least 2/3, the benefits payable are:

- Universal basic disability pension (income test) of 4,377 kroner a month,
- Universal disability supplement (income test) of 4,406 kroner a month,
- Disablement supplement (no income test) of 2,129 kroner a month.

Partial (low or related to early retirement) disability pension: If work capacity is reduced by at least 1/2, the benefits payable are:

- Universal basic disability pension (income test) of 4,377 kroner a month,
- Universal disability supplement (income test) of 4,406 kroner a month,
- Early retirement supplement for partial disability (no income test) of 1,113 kroner a month payable to persons aged 18 to 59.

Disability allowance: 2,142 kroner a month.

Outside assistance allowance (no income test): 2,224 kroner a month.

Constant-attendance allowance (no income test): 4,439 kroner a month.

Benefit adjustment: Automatic annual adjustment of pension and benefits based on wage growth.

ATP: No disability pensions are payable under the ATP scheme.

SP: No disability pensions are payable under the SP scheme.

Survivor Benefits

Survivor pension (universal pensions): Eliminated as of 1984.

Funeral grant: A lump-sum payment (maximum of 7,600 kroner, depending on the assets of the deceased) is provided under

the National Health Security Act and adjusted annually based on wage growth.

ATP: A lump sum is payable to the surviving spouse and each child under age 18. The lump-sum amounts are related to the accrued pension rights or the pension of the deceased.

SP: The capital in the account of the deceased is payable to the estate.

Administrative Organization

Universal pensions: Ministry of Social Affairs provides general supervision and national administration.

Local (municipal) governments administer pensions.

National Directorate of Social Security and Assistance administers universal pensions paid abroad.

ATP: The Labor-Market Supplementary Pension Institution is an independent organization headed by a bipartite board of directors. The institution administers the ATP program.

SP: The Labor-Market Supplementary Pension Institution also administers the SP program.

Sickness and Maternity

Regulatory Framework

First law: 1892.

Current laws: 1971 (medical benefits) and amendments; 1989 (cash benefits) and amendments.

Type of program: Dual universal (medical benefits) and direct provision (cash benefits) systems.

Coverage

Medical benefits: All residents.

Cash sickness and cash maternity benefits: Employees and self-employed persons.

Source of Funds

Insured person: Cash and medical benefits, none. (Self-employed persons may voluntarily contribute to cash benefit insurance against initial 2 weeks of incapacity.)

Employer: The total cost of cash benefits for the first 2 weeks if the same employer has employed the employee for 8 weeks prior to the absence from work.

Medical benefits, none.

Government: Local government meets the total cost of cash benefits from the third week (beginning on day 1 if ineligible for the 2-week benefit from employer).

Local government (county level) meets the total cost of medical benefits.

Qualifying Conditions

Medical benefits: Resident of Denmark. If moving from another country, there is a 6-week qualifying period.

Cash sickness and cash maternity benefits: 74 hours of employment in the preceding 8 weeks.

Sickness and Maternity Benefits

Sickness benefit: Up to 3,016 kroner a week, based on the hourly wage; for employees, benefit is payable from the first day of illness; for the self-employed, benefit is payable from the third week of illness (may insure voluntarily for the first 2 weeks).

Benefits under the national cash benefit program are payable weekly for 52 weeks within any 18-month period. Benefit may be extended under specified circumstances.

Maternity benefit: Up to 3,016 kroner a week; for employees, benefit is payable for up to 52 weeks, including:

From 4 weeks before and 14 weeks after the expected date of childbirth for the mother and, concurrently, 2 weeks paid paternity leave;

An extension of another 10 weeks after the date of childbirth for either the mother or the father;

An additional 2 weeks for fathers only.

Additional leave of up to 3 months is granted if child is hospitalized as a result of a disease contracted in connection with birth.

Workers' Medical Benefits

Free service benefits with restricted choice of doctor, or patient pays part of expenses with free choice of doctor. Benefits include general practitioner care, specialist care, treatment by psychologists under special circumstances (60% of expenses), hospitalization in public hospital, 50% to 85% of the cost above 510 kroner a year of most prescribed drugs, maternity care by midwife or doctor, home nursing, chiropractic (30% of expenses), physiotherapy, limited dental care (40% of most expenses), and transportation (pensioners only). There is no limit on duration (except for treatment by psychologists, chiropractors, and physiotherapists).

Dependents' Medical Benefits

Same as for family head (see Workers' Medical Benefits, above).

Administrative Organization

Medical benefits: Ministry of Health provides general supervision and national administration.

Municipal and county governments administer medical benefits at the local level.

Sickness and maternity benefits: Ministry of Social Affairs provides general supervision and national administration.

Municipal governments administer sickness and maternity benefits at the local level.

Work Injury

Regulatory Framework

First law: 1898.

Current law: 1998.

Type of program: Dual universal (medical benefits) and direct provision (cash benefits) systems; compulsory income security provisions through private carrier (accidents) and the Labor-Market Occupational Disease Fund (occupational diseases).

Coverage

Employed persons; self-employed persons in fishing and shipping. Coverage is extended to persons with a congenital injury or congenital disease contracted as a consequence of the work or employment history of either parent.

Source of Funds

Insured person: Employees, none. Self-employed persons, the total cost of insurance.

Employer: Cash benefits, same as for sickness benefit under Sickness and Maternity, above.

Permanent disability pension; total cost of compulsory income security provisions through a private carrier (accidents) and the Labor-Market Occupational Disease Fund (occupational diseases).

Government: See Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

See cash sickness benefit under Sickness and Maternity, above.

Permanent Disability Benefits

Permanent disability pension: If totally disabled, 80% of earnings of the preceding year.

Maximum yearly earnings: 355,000 kroner, adjusted annually for changes in average wages.

Partial disability: If between 50% and 99% disabled, a percentage of the full pension proportional to the loss of earning capacity is paid. If between 15% and 49% disabled, a lump sum equal to the commuted value of the partial pension is awarded.

At age 67, the disability pension is discontinued and a lump sum of 2 years' benefit is paid.

Compensation for long-term incapacity to perform daily routine tasks: 430,000 kroner if 100% incapacitated; compensation is reduced for lower degrees of incapacity.

Benefit adjustment: Automatic adjustment of benefits to changes in the average wage.

Workers' Medical Benefits

Costs of prosthesis, artificial limbs, orthopedic equipment and wheel chairs, and sometimes necessary specialist care (most medical services are obtained under ordinary sickness insurance).

Survivor Benefits

Survivor pension: 30% of the earnings of the insured, paid for up to 10 years. The pension is payable to the spouse or to a cohabitant of at least 2 years. The pension is not discontinued in the event of remarriage.

At age 67, the survivor pension is discontinued and a lump sum of 2 years' benefit is paid.

Orphan's pension: 10% of the earnings of the insured for each orphan and 20% for each full orphan, up to a maximum of 50%. The pension is payable through age 18 (age 21 if a student).

The total value of survivor and orphans' pensions payable is 70% of the earnings of the insured.

Special death benefit: A lump sum of 112,000 kroner is payable to a spouse or to a cohabitant of at least 2 years.

Benefit adjustment: Automatic annual adjustment of pensions and benefits based on wage growth.

Administrative Organization

Ministry of Social Affairs provides general supervision.

National Board of Industrial Injuries provides direct supervision of private carriers for work accidents.

Labor-Market Occupational Disease Fund (an independent, self-governing institution) administers the employer-funded programs for occupational diseases.

Unemployment

Regulatory Framework

First law: 1907.

Current laws: 1970 (employees) and 1976 (self-employed).

Type of program: Subsidized voluntary insurance system.

Coverage

Employees aged 18 to 65, the self-employed, and persons who have completed at least 18 months of vocational training, with membership of an approved unemployment fund established

voluntarily by trade unions, for instance, in industry, commerce, office work, agriculture, handicrafts, catering, transport, or quarrying.

Source of Funds

Insured person: Membership contribution to unemployment insurance fund consists of a variable contribution toward financing the fund (rates vary according to fund), a mandatory fixed contribution toward payment of unemployment insurance, and a voluntary fixed contribution toward payment of early retirement pay.

Employees and the self-employed pay 8% of their gross income toward the Labor Market Fund to cover state expenditure on unemployment insurance benefits and voluntary early retirement pay.

Employer: A part of the supplementary 3% value-added tax base of the enterprise.

Government: Any cost above insured person's and employer/employee contributions.

Qualifying Conditions

Unemployment benefit: Membership in an unemployment fund during the last 12 months (self-employed included) and 52 weeks of employment in last 3 years.

Unemployment must not be due to voluntary leaving, misconduct, a labor dispute, or the refusal of a suitable offer. The claimant must be registered for employment, capable of, and willing to, work.

Voluntary early retirement pay scheme: Resident aged 60 to 65 (including the self-employed) and a member of an unemployment fund for 25 years during the last 30 years, or 20 years during the last 25 years if born before July 1, 1964, or 10 years during the last 15 years if born before March 1, 1952.

Unemployment Benefits

90% of the average earnings of the preceding 12 weeks, up to 604 kroner a day or 157,040 kroner per year. Benefit is payable from the first day of unemployment (5 days a week) for an initial period of 1 year (job-seeking period). The initial period may be followed by a second period of 3 years. If the unemployed person is aged 55 to 59 years, the second period may be extended until the 60th birthday to allow entitlement for voluntary early retirement benefit.

Voluntary early retirement benefit: The maximum is 91% of the highest unemployment benefits, but not more than 2,750 kroner per week or 143,000 kroner per year. Certain favorable conditions apply to workers staying in the labor market for a minimum period of 2 years after age 60.

Administrative Organization

Ministry of Employment and Directorate of Labor provide general supervision. Recognized unemployment funds (with at

least 5,000 members) administer the program nationally. Union officials usually manage funds.

Local branches of the unemployment funds collect contributions and pay benefits.

Family Allowances

Regulatory Framework

First law: 1952.

Current law: 1986.

Type of program: Universal system.

Coverage

Resident citizens, aliens having resided in Denmark for 1 year or more (3 years for a special supplement), or aliens covered by reciprocal agreements.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Child must be under age 18.

Family Allowance Benefits

Family allowances: Basic annual allowance is 11,300 kroner for each child up to 2 years old; 12,500 kroner for each child aged 3 to 6 years; 8,900 kroner for each child aged 7 to 17 years.

General supplement: 3,916 kroner a year per child (for example, in the case of a family with a single breadwinner or a parent who is a pensioner).

Extraordinary supplement: 3,980 kroner a year for a single-parent household (only one supplement per household regardless of the number of children).

Special supplement: 19,968 kroner a year (orphans) or 9,984 kroner (children of pensioners and children with only one parent); in cases of multiple births, 6,440 kroner a year per child between ages 0 and 6; for the adoption of a foreign child, a one-time grant of 37,130 kroner.

Benefit adjustment: Allowance and supplements adjusted annually according to changes in wages.

Administrative Organization

Ministry of Social Affairs provides general supervision and national administration.

Local (municipal) governments administer the program.

Estonia

Exchange rate: U.S.\$1.00 equals
17.56 kroons (EEK).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1924.

Current laws: 2000 and 2001.

Type of program: Social insurance system.

Note: Legislation passed in 2001 to be implemented in July 2002 sets up a second pillar of individual accounts. Membership will be mandatory for workers under age 18 and voluntary for workers over age 18.

Coverage

All persons currently residing in Estonia.

Source of Funds

Insured person: Employees make no contribution. The self-employed contribute 33% of income equal to or above the minimum salary.

Employer: 33% of payroll.

Government: The cost of some pensions; pension supplements; funeral grants.

The above contributions also finance Sickness and Maternity and Work Injury.

Qualifying Conditions

Old-age pension: 15 years of service. Age 63 (men) and age 58 (women). The retirement age for women is to be raised by 6 months each year until it reaches age 63.

Disability pension: Aged 16 to 63 with 1 year to 14 years of insurance coverage or credited pensionable service depending on the age of pension claimant.

Survivor pension: Survivors incapable of gainful activity. Deceased had 1 to 14 years of insurance coverage or pensionable service depending on age.

Survivors include children, stepchildren, siblings, and grandchildren under age 18 or disabled; a parent, stepparent, surviving spouse, or guardian not gainfully employed and raising the deceased's children, brothers, sisters, or grandchildren under 14 years of age.

Old-Age Benefits

Old-age pension: Includes a base amount (419 EEK) and an amount based on years of pensionable service.

National pension: Set by legislature and adjusted for changes in the cost of living. The benefit is 100% of the national pension rate (800 EEK).

Permanent Disability Benefits

Disability pension: Based on the old-age pension and corresponding to the loss of capacity for work.

Survivor Benefits

Survivor pension: Based on the old-age pension and the number of survivors. One survivor, 40% of the pension entitlement; two survivors, 70%; three or more survivors, 100%.

Funeral grant: 1,800 EEK.

Administrative Organization

Ministry of Social Affairs is responsible for general management and supervision.

National Social Insurance Board is responsible for overall planning and coordination.

Regional pension offices are responsible for administration at the local level.

Sickness and Maternity

Regulatory Framework

First law: 1924.

Current law: 1991.

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Insured employees, insured employers, and insured self-employed persons.

Medical benefits: Insured employees, insured employers, insured self-employed persons, spouses of an insured person, children under age 18, schoolchildren or students engaged in daily study, disabled persons, nonworking persons raising a child of up to 3 years of age, pregnant women, pensioners, persons registered as unemployed, and military personnel.

Source of Funds

Insured person: Employees make no contribution. For self-employed persons, see Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: None.

Qualifying Conditions

Sickness benefits and medical care: Current affiliation to the Health Insurance Fund regardless of length of service.

Medical benefits: Current affiliation to the Health Insurance Fund regardless of length of service.

Sickness and Maternity Benefits

Sickness benefit: A percentage of worker's average income is paid for each calendar day: 60% for hospital treatment and 80% for outpatient care. Benefits payable from the first day of sickness include caring at home for a family member over 14 years of age, 80% for 7 calendar days; caring at home for a child under 3 years of age (up to 16 years for a disabled child) if the parent providing care is ill, 80% for 14 calendar days; caring for a child up to 14 years of age, 100% for 14 calendar days; work injury caused by employer, health damage, occupational disease, or work injury as a result of trying to prevent a crime, 100%; adopting a child of up to 4 years of age, 100% for 70 days.

Maternity benefit: 100% of the insured's average income for 126 calendar days. In the case of multiple births, the benefit is provided for 140 calendar days.

Workers' Medical Benefits

State and local medical institutions provide medical benefits.

Dependents' Medical Benefits

State and local medical institutions provide medical benefits.

Administrative Organization

Ministry of Social Affairs is responsible for general management, supervision, and planning.

Estonian Health Insurance Fund coordinates health insurance.

Medical care is provided by doctors, polyclinics, and hospitals.

Benefits are paid to the insured by the Estonian Health Insurance Fund.

Work Injury

Regulatory Framework

First law: 1924.

Current law: 1991.

Type of program: Social insurance system.

Coverage

Insured employees and insured self-employed persons.

Source of Funds

Insured person: Employees make no contribution. For self-employed persons, see Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: The payment of compensation for injured employees whose employer is insolvent.

Qualifying Conditions

Work injury benefits: All permanent residents.

Temporary Disability Benefits

100% of average income until the degree of disability has been determined.

Permanent Disability Benefits

Based on the old-age pension and corresponding to the loss of capacity for work.

Workers' Medical Benefits

State and local medical institutions provide medical benefits.

Survivor Benefits

Survivor pension: Based on the old-age pension and the number of survivors. One survivor, 40% of the pension entitlement; two survivors, 70%; three or more survivors, 100%.

Administrative Organization

Ministry of Social Affairs is responsible for general management and supervision.

Estonian Health Insurance Fund administers health insurance in counties and towns.

Medical care is provided by doctors, polyclinics, and hospitals.

Regional pension offices administer and pay permanent disability benefits.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 2000.

Type of program: Unemployment assistance.

Coverage

Permanent residents aged 16 or over (up to the pensionable age) who are capable of gainful activity.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Age 16 to retirement age, registered as unemployed by the employment service, and with 180 days of work during the 12 months prior to becoming unemployed. Work may include full-time study in an educational institution, military service, raising a child under age 7, treatment in a hospital, nursing the sick, being disabled or elderly, or being in detention.

Unemployment Benefits

400 EEK for 180 calendar days.

Benefit may be extended for up to 180 days if less than 180 days remain until retirement age. Benefit entitlement may be extended for up to 90 days if the claimant is raising three or more children under age 18, is undertaking vocational training or a community placement, or if family income is below the poverty level.

Administrative Organization

Ministry of Social Affairs is responsible for general management and supervision.

Labor Market Board, with local employment offices, is responsible for registering the unemployed, administering job search and retraining, and guaranteeing the payment of benefits.

Family Allowances

Regulatory Framework

First law: 1922.

Current law: 1998.

Type of program: Social insurance system.

Coverage

Permanent residents, aliens with temporary residence permits, and refugees.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: All children under age 17; up to age 19 if a full-time student.

Family Allowance Benefits

Childbirth allowance: First child, 25 times the child allowance rate (150 EEK); each subsequent child, 20 times.

Child allowance: Paid monthly to families with one child at the child allowance rate. A monthly allowance is paid for a second child, and for each subsequent child, at two times the child allowance rate.

Child care allowance: A monthly allowance is paid for each child at 1.5 times the child care allowance rate (1,200 EEK) to one parent raising one or more children up to 3 years old. In addition, 25% of the child care allowance rate for each child between ages 3 and 8.

Single parent's child allowance: Paid monthly for children of up to 16 years of age and for children enrolled in school at two times the child allowance rate.

Conscript's child allowance: Paid monthly for children of conscripts in the armed forces at five times the child allowance rate.

Child's school allowance: An annual payment for each child enrolled in school paid at three times the child allowance rate.

Foster care allowance: Paid monthly at two times the child allowance rate.

Start in independent life allowance: 5,000 EEK paid to orphans or persons without parental care who have spent at least the last 3 years in a children's home or in a school for the disabled.

Allowance for families with four or more children and families raising triplets: Annual allowance equal to the child allowance rate multiplied by the number of children who receive child allowance for a family per quarter.

Administrative Organization

Ministry of Social Affairs is responsible for general management and supervision.

National Social Insurance Board coordinates and administers benefits.

Regional pension offices administer and pay benefits at the local level.

Finland

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1937.

Current laws: 1956 (universal pensions), 1961 (earnings-related pensions), 1969 (survivor pensions amended in 1990 to include widowers), 1986 (partial pension and early pension), 1996, 1998, and 2000 amendments.

Type of program: Universal pension program and statutory earnings-related pensions.

Coverage

Universal pension (income-tested): All Finnish citizens residing in Finland after age 16 for at least 3 years as well as citizens of other countries residing in Finland for 5 years or more immediately preceding pension.

Earnings-related pension: All regular employees aged 14 or older.

No lower limit of earnings or duration.

Special systems for seasonal, part-time, maritime, and public employees; farmers; and the self-employed.

Source of Funds

Insured person

Universal pension: Employees, none.

Earnings-related pension: Employees, 4.4% of earnings; the self-employed contribute 21.1% of declared earnings (15.8% for the first 4 years of self-employment). The maximum earnings for contribution purposes is •87,679.73 a year. Self-employed farmers contribute 10.3% of declared earnings up to a maximum of •18,412 a year.

Employer

Universal pension: 1.3% to 4.45% of payroll (private employers, depending on capital of employer); 2.4% of payroll (municipalities), or 3.95% of payroll (state).

Earnings-related pension: 17.32% for employers with fewer than 50 employees. For employers with more than 50 employees, 11.1% to 21.6%, according to the age and gender of the employee.

Government

Universal pension: About 36% of universal pensions (about 3/4 of which is borne by local governments) and the total cost of the universal survivor pension.

Earnings-related pension: Total cost of the earnings-related pension for the self-employed and for farmers not covered by their own contributions.

Earnings-related pension contributions are paid on the total wage.

The combined average contribution for all employees and employers for the universal pension and earnings-related pension is 21.1% of payroll in 2002.

Qualifying Conditions

Old-age pension

Universal income-tested pension: Age 65. Retirement is not necessary. The pension is not payable abroad after 1 year, unless the person was a resident of Finland for at least 10 years before receiving the pension or is abroad for medical reasons.

Early pension: Aged 60 to 64. The pension is reduced.

Earnings-related pension: Aged 65 or older and retirement from covered employment. For a full pension, 40 years' coverage is necessary.

Early pension: Aged 60 to 64. The pension is reduced.

Part-time pension (earnings-related pension): Aged 56 (58 as of January 1, 2003) to 64 years. A reduced work schedule (16 hours to 28 hours per week and earning between 35% and 70% of full-time earnings), employed full-time for 12 months of the past 18 months, and covered during at least 5 out of the preceding 15 years.

Unemployment pension: Payable at age 60 after having exhausted unemployment benefit for the maximum duration of 500 days and being covered by the scheme for at least 5 out of the last 15 years.

Disability pension

Universal income-tested pension: Permanent incapacity for suitable work and aged 16 to 64.

Early disability pension: Payable from age 60 to 64, and unable to work due to mental or physical exhaustion.

Disabled person's allowance: Aged 16 to 64, payable to nonpensioners.

Child care allowance: Payable for children under age 16 with a disability or a long-term illness.

Earnings-related pension: A 60% or more permanent loss of work capacity; a 40% to 59% permanent loss for the partial pension. The pension is payable after 300 days of cash sickness benefits have been exhausted.

Rehabilitation benefit: Payable to a disabled employee or a self-employed person who has a temporary loss of work capacity of 60% or more (40% to 59% loss for partial disability) and is undergoing treatment or rehabilitation.

Individual early retirement pension: Aged 60 to 64, and unable to work due to mental or physical exhaustion. Other factors including age, length of service, and working conditions are also considered.

Survivor pension

Universal income-tested pension: Deceased was a Finnish citizen who had lived in Finland after age 16 for at least 3 years (if not a Finnish citizen, 5 years). The widow(er), if a Finnish citizen, must have lived in Finland at the date of the deceased's death or have moved to Finland within 1 year of the death of the spouse and lived in Finland after age 16 for at least 3 years (noncitizen must have lived in Finland for 5 years before the date of death). The initial pension is not income-tested for the first 6 months; a continuing pension is income-tested unless the widow(er) is providing for a child under age 18.

Widow(er) must be under age 65, have been married to the deceased before age 65, caring for a child under age 18 or, if childless, be at least 50 years old at the time of the spouse's death; in addition, the widow(er) must have been married for at least 5 years.

Supplementary survivor's pension (income-tested): See universal income-tested old-age pension, above.

Orphan's pension (universal): Under age 18 (under age 20 if a student) and a resident of Finland or have moved to Finland within 1 year of the bereavement.

Orphan's supplement (income-tested): Under age 18 (not for students aged 18 to 20).

Earnings-related pension: Deceased was insured or a pensioner at the time of death. The couple were married before the deceased spouse's 65th birthday; if childless, the couple must have been married for at least 5 years, and the survivor must have been under age 50 at time of marriage and at least age 50 or a disability pensioner for at least 3 years when widowed. The pension is paid to a widower on equal terms and, under certain circumstances, to a former spouse.

Orphan's pension (earnings-related): Paid to a child under age 18.

Old-Age Benefits

Old-age pension

Universal pension: The pension is income-tested and varies from •11.02 to •487.60 a month, according to municipality, marital status, and the value of other pension income received.

Income test: Benefit reduced to 50% of the difference between other pension income and •45.75 a month; the pension is not payable if other pension income is between •847.17 and •998.92 a month, according to family status and municipality. The amount is also adjusted for the length of residence in Finland, with the full amount payable after 40 years of residence, reduced on a pro rata basis if less than 40 years.

Child allowance: For a child under age 16. The allowance is a flat-rate increase of •18.08 a month.

Housing allowance: The allowance is proportional to income and housing expenses, up to •486.54 a month, according to municipality, marital status, and number of family members.

Pensioner care allowance: The allowance is set at •50.87, •126.65, or •253.28 a month, based on the extent of care needed.

Early pension: Payable from age 60; the pension is reduced by 4.8% per year claimed before age 65.

Deferred pension: An increment of 0.6% of the pension for each month deferred after age 65.

Benefit adjustment: The universal pension and allowance supplements are adjusted automatically each year for changes in the cost-of-living index.

Earnings-related pension: 1.5% of average pensionable earnings for each year of employment between ages 23 and 59 and 2.5% for each year between ages 60 and 65; 0.5% for each year before July 1962.

Pensionable earnings are the average revalued earnings for the last 10 years. The pension is determined separately for each employment contract.

Early retirement pension: From age 60. The pension is reduced by 4.8% for each year claimed before age 65.

Deferred pension: An increment of 0.6% for each month of deferment after age 65.

Partial pension: 50% of the difference between the former full-time income and the part-time income.

Unemployment pension: Pension rights are accrued during the years of employment. The right to the accrued pension is based on the potential length of service. This component will later be paid in the context of any entitlement to an old-age pension or a survivor pension.

Benefit adjustment: Earnings-related benefits payable to pensioners aged 65 and older are adjusted yearly according to 20% of the annual average increase in wage (or 50% if pensioner is under age 65) and 80% of annual average increase in price (50% if pensioner is under age 65) changes.

Permanent Disability Benefits

Disability pension

Universal pension: See the universal old-age pension, above. The full pension is awarded to those who have been resident in Finland for 80% of the time after age 16 and who were resident before the disability occurred or who became disabled before age 21 while resident in Finland.

Disabled person's allowance: Paid at •75.96, •177.24, or •329.17 a month, depending on the harmful effects of the illness or injury, the need for assistance, and for additional expenses caused by the illness or the disability.

Benefit adjustment: Universal pensions and allowances are adjusted each year for changes in the cost-of-living index.

Earnings-related pension: 1.5% of the wage for each year of service up to the onset of disability. For projected service (time between the onset of the disability and retirement age 65), 1.5% for the period up to age 50, 1.2% from age 50 to 60, and 0.8% from age 60 to 65.

The maximum pension is 60% of pensionable earnings.

Partial disability pension: Paid at 50% of the full pension, if the loss of work capacity is between 40% and 59%.

Rehabilitation benefit: Awarded for a treatable disability. Same as the full or partial disability pension plus a 33% increment for periods of active vocational rehabilitation arranged for the applicant by the pension insurance company.

Benefit adjustment: The earnings-related disability pension is adjusted according to an index that reflects the changes in prices and wages on an equal basis.

Survivor Benefits

Survivor pension

Universal pension: Awarded for the first 6 months following the spouse's death. The maximum basic pension is •257.41 a month, plus a means-tested supplement up to •230.19 a month and a housing allowance according to the geographical area. The pension is payable to a widow(er). From the 7th month, the pension is income tested using the same criteria as for the universal old-age pension (see above), except if the surviving spouse is caring for a dependent child. The pension is adjusted according to the length of residence of the deceased.

Orphan's pension (universal): Up to •49.19 a month if under age 18 (age 20 if a student) up to •98.38 a month for a full orphan; single and full orphan's pensions may be increased by a maximum of •65.72 a month (income-tested); the increase is not applicable to a student aged 18 to 20 years.

Benefit adjustment: The universal pension and allowances are adjusted automatically each year for changes in the cost-of-living index.

Earnings-related pension: The widow(er) receives up to 50% of the pension payable to the insured.

No means test for first 6 months if the surviving spouse is under age 65 and is not receiving a pension in his or her own right. If the survivor is supporting children, no income test before the youngest child is 18 years old.

Income test: The retirement or disability pension personally accrued by the surviving spouse (even if not in payment) reduces the amount of the survivor's pension.

Orphan's pension (earnings-related): Under age 18. The award is 1/3 of the insured's pension for one orphan; up to 5/6 of the insured's pension for four orphans or more; the pension is increased by another 1/6 for a full orphan. The pension is not to exceed the value of the insured's pension.

Benefit adjustment: Earnings-related benefits payable to pensioners aged 65 and older are adjusted yearly according to 20% of the annual average increase in wage (or 50% if pensioner under age 65) and 80% of the annual average increase in price (50% if pensioner under age 65) changes.

Administrative Organization

Ministry of Social Affairs and Health provides general supervision of the private-sector statutory pension schemes.

Social Insurance Institution administers universal and disability pensions through district offices.

A governing body appointed by Parliament manages the Social Insurance Institution.

Local boards determine claims for old-age pensions and survivor pensions. Disability pension claims are determined by the central administration.

Municipalities collect the universal pension contribution with communal (municipal) taxes.

Central Pension Security Institute is the statutory central body of the private-sector earnings-related pension scheme. It operates as a tripartite board.

Carriers for earnings-related pension schemes are approved private insurance companies, pension funds, and foundations. As of April 1, 1999, the Insurance Supervision Authority supervises the carriers.

Local Government Pensions Institute, under the general supervision of the Ministry of the Interior, administers the pension programs in the public sector.

State Treasury Office, under the general supervision of the Ministry of Finance, administers pension programs for state employees.

Sickness and Maternity

Regulatory Framework

First and current law: 1963.

Type of program: Social insurance system (cash and medical benefits).

Note: Health care is provided by both a private-sector sickness insurance program and a public-sector (municipal) health services program financed primarily by local and national taxes.

Coverage

Medical benefits: All residents.

Cash benefits: All employed, all self-employed, and students aged 16 to 64.

Source of Funds

Insured person: 1.5% of earnings. Pensioners contribute 1.9% of earnings.

Employer: 1.60% of payroll (private employers) or 1.60% to 2.85% of payroll (public employers).

Government: Remaining cost.

Qualifying Conditions

Cash sickness benefits: Employment during the last 3 months unless involuntarily unemployed.

Cash maternity benefits: Residence in country; immigrants must complete a 180-day waiting period.

Medical benefits: Residence in country.

Sickness and Maternity Benefits

Sickness benefit: 70% of daily earnings, if annual earnings are •25,515 or less; plus 40% of daily earnings for annual earnings between •25,516 and •39,256, plus 25% of daily earnings for annual earnings of •39,256 or more.

The minimum benefit is •2.30 a day.

Sickness allowance (means-tested): The allowance is payable after 55 days of disability provided that annual earnings are less than •979. The benefit is payable after a 10-day waiting period for up to 300 weekdays at •10 a day.

Rehabilitation benefit: Same as cash sickness benefit if receiving medical treatment, vocational training, or both under a social security rehabilitation program.

Maternity benefit: See sickness benefit above; the minimum benefit is •10 a day.

Payable to a mother between 50 days and 30 days prior to the expected date of childbirth for 105 work days. Special maternity allowance is payable throughout the pregnancy if the mother is exposed to risk factors that cannot be eliminated.

Parents allowance: After maternity benefit ends, payable to either parent for 158 weekdays. Benefit is payable for 60 extra days for multiple births and from 100 days to 234 days in the case of an adoption.

Special care allowance: Payable for 60 days a year to parents caring for a sick child at hospital or home (90 days if the child is seriously ill).

Workers' Medical Benefits

Under the sickness insurance scheme, cash refunds operate for certain medical expenses based on a predetermined schedule. The cash refunds include 60% of private doctors' fees, 60% to 75% of private dental fees (for those born in 1946 or later), 75% of the cost of prescribed examinations and prescribed treatment over •13.46 is deductible, 50% of the cost of medicines over •8.41 (75% to 100% reimbursement for drugs used to treat grave and prolonged illness priced over •4.20 is deductible; a full refund if the annual cost of prescription drugs exceeds •594), and 100% of transportation expenses in excess of •9.25 (a full refund is provided if annual deductible expenses exceed •157).

Sickness insurance also covers 50% of the occupational health care costs incurred by the employer.

Under municipal health services, a •22 fee is charged for the first annual visit; subsequent visits are free.

Hospital care is free, except for a •22 fee per outpatient visit and a •26 fee per inpatient day.

Dependents' Medical Benefits

Same as for family head (see above).

Administrative Organization

Ministry of Social Affairs and Health provides general supervision.

Sickness insurance: Social Insurance Institution administers the program nationally.

Social Insurance Institution reimburses employees' sickness funds.

The Social Insurance Institution reimburses employers providing medical benefits directly to their own employees.

Public health and hospital services: Provided by municipalities or the federation of municipalities.

Work Injury

Regulatory Framework

First law: 1895.

Current laws: 1948, 1981 (farmers).

Type of program: Statutory insurance with a private carrier.

Coverage

Employed persons. Special systems for farmers and public employees.

Source of Funds

Insured person

General scheme: None.

Farmers' scheme: 33% of total cost.

Employer

General scheme: 0.5% to 11.7% of payroll, according to the assessed degree of risk (the average rate is 1.4%).

Farmers' scheme: None

Government

General scheme: None.

Farmers' scheme: 33% of total cost (33% of the cost is covered by funds from the general social security scheme).

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

100% of earnings, reduced proportionately for a partial disability of 10% or more. Benefit is payable from the day after the accident occurred (unless incapacity is less than 3 days), 7 days a week, for up to 12 months.

Permanent Disability Benefits

Permanent disability pension: A basic pension equal to 85% of earnings for total disability up to age 65, thereafter at 70% of earnings; the pension is proportionally reduced for partial disabilities of 10% or more.

Constant-attendance supplement: Up to •22.35 a day.

Hardship allowance: The allowance is payable in cases of permanent general handicap according to 20 categories of disability. The value of the allowance varies according to age and gender.

Workers' Medical Benefits

Medical attendance, surgery, hospital treatment, medicines, appliances, and rehabilitation.

Survivor Benefits

Survivor pension: Payable to a widow(er) and orphans.

Maximum survivor pension: 70% of earnings of the insured.

Funeral grant: •3,680.

Administrative Organization

Ministry of Social Affairs and Health provides general supervision.

Federation of Accident Insurance Institutions is the legal coordinating body for the application of statutory accident insurance legislation among member companies and statistics.

Insurance is administered by licensed private companies.

Farmers' insurance is administered through the Farmers' Social Insurance Institution.

Public employees' insurance is administered through the State Treasury Office.

Unemployment

Regulatory Framework

First laws: 1917 (unemployment insurance) and 1960 (unemployment assistance).

Current law: 1984 (unemployment security).

Type of program: Dual unemployment assistance and voluntary subsidized insurance (Unemployment Fund) systems.

A general program for basic unemployment benefit and a voluntary program for earnings-related unemployment benefit administered by the unemployment funds.

Coverage

Basic unemployment and earnings-related unemployment benefits: Gainfully employed workers and entrepreneurs aged 17 to 64.

Membership in an earnings-related unemployment fund is voluntary.

Source of Funds

Insured person

Basic unemployment benefit: None.

Earnings-related unemployment benefit: 0.4% of salary.

Employer

Basic unemployment benefit: None.

Earnings-related unemployment benefit: 0.7% of the salary when the total amount of all salaries is under •840,940 and 2.7% when the total amount of all salaries is above •840,940.

Government

Basic unemployment benefit: Total cost.

Earnings-related unemployment benefit: Pays a percentage of the total cost (39.2% in 2001).

Qualifying Conditions

Basic benefit and earnings-related unemployment

benefits: Must have worked at least 43 weeks during the 24 months prior to becoming unemployed. Entitlement to the basic benefit or to the earnings-related benefit under the classification of an entrepreneur depends on work as an entrepreneur for 24 months out of the last 48 months.

Unemployment is not due to voluntary leaving, work stoppage, or the refusal of an offer of suitable employment.

For entitlement to the earnings-related benefit, the insured must have been a member of an unemployment fund for at least 10 months.

Unemployment Benefits

Unemployment benefit (basic benefit): •22.75 a day.

Supplement for dependent child(ren): A daily supplement of •4.31 a day for one child, •6.33 for two, and •8.16 for three or more children.

Earnings-related benefit (unemployment fund): If monthly earnings are less than •2,047.50, the benefit is •22.75 a day plus 45% of daily wage; if monthly earnings are equal to •2,047.50 or more, the benefit is •55.37 a day plus 20% of daily earnings in excess of •95.23 a day.

Supplement for dependent child(ren): A daily supplement of •4.31 a day for one child, •6.33 for two, and •8.16 for three or more children.

The maximum benefit, including child increases, is 90% of the insured's daily wage.

Benefit is payable after a 7-day waiting period. The benefit is payable 5 days a week for up to 500 days (if the recipient reaches age 57 before the benefit has been paid for 500 days,

the benefit is payable until the end of the calendar month in which the recipient reaches age 60).

Administrative Organization

Ministry of Social Affairs and Health supervises unemployment insurance.

The Social Insurance Institution, through its local offices, administers the basic benefit program.

Earnings-related program is administered by approved unemployment funds.

At least 8,000 members are required for an unemployment fund to receive full government support.

Family Allowances

Regulatory Framework

First law: 1948.

Current laws: 1992 and 1996 (Child Home Care Allowance).

Type of program: Universal system.

Coverage

All residents with one or more children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost. Municipal authorities meet the total cost of the child home care allowance.

Qualifying Conditions

Family allowances: Child must be under age 17.

Birth grant: Provided to the insured upon the birth of a child.

Child home care allowance: Child must be under age 3.

Maternity benefits are no longer payable. One of the parents must care for the child at home.

Family Allowance Benefits

Family allowances: •1,080 a year for one child, •2,406 for two, •3,978 for three, •5,796 for four, and •2,064 a year for each additional child.

Single-parent supplement (or legally separated or unmarried parent): •403 a year for each qualifying child.

Birth grant: •140, usually payable in kind.

Child home care allowance: A basic amount of •3,027 a year for one child under age 3; an increase of •600 a year for each additional child under age 7 cared for at home.

Means-tested supplement: The supplement can be up to •135 a month.

Partial home care allowance: •63 a month payable to a parent who has reduced his or her working hours to a maximum of 30 hours per week.

Administrative Organization

Ministry of Social Affairs and Health provides general supervision.

Social Insurance Institution administers the Family Allowance program on a national basis.

France

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1910.

Current laws: 1945, 1967, 1971, 1975, 1980, 1982, 1988, 1993, 1994, and 1995.

Type of program: Social insurance system and mandatory supplementary pension systems.

Coverage

Employed persons.

Special systems for agricultural, mining, railroad, public utility, and public employees; seamen; nonagricultural self-employed; and agricultural self-employed.

Voluntary affiliation for a nonworking head of household (old-age pension only), nonemployed persons caring for a disabled family member, and persons employed abroad.

Compulsory old-age pension affiliation for women receiving certain family benefits, including the single-parent allowance (see Family Allowances, below), and for those caring for a disabled person.

Source of Funds

Insured person: 6.55% of insurable earnings plus 0.1% of total earnings for surviving spouse's allowance.

Employer: 8.2% of insurable earnings plus 1.6% of total payroll.

Government: Variable subsidies.

Maximum earnings for contribution and benefit purposes are •2,352 a month.

Disability and survivor benefits are financed under the sickness and maternity program (see below).

Qualifying Conditions

Old-age pension: Age 60 and one quarter of insurance coverage. Benefits are payable abroad.

Disability pension: Under age 60. The loss of at least 2/3 of earning capacity in any occupation. Entry into insurance 12 months before the onset of the disability and 800 hours of employment in the last 12 months, including 200 hours in the last 3 months.

Survivor pension: At least 55 years old and married for 2 years. These conditions are waived if there is a child from the marriage. Personal income is less than •13,874 per year.

Surviving spouse's allowance: Less than 55 years old and has, or has had, a dependent child. Personal income is less than •1,887.15 per quarter.

Old-Age Benefits

Old-age pension: Depending on age or the duration of insurance coverage, 25% to 50% of average salary for the best 25 years (adjusted since 1947) as of January 1, 2008 (between January 1, 1994, and December 31, 2007, the number of years taken into account will vary between 11 and 24 years depending on the year of birth); 50% of adjusted average salary if the insured has 160 quarters of insurance coverage in any scheme as of January 1, 2003 (between January 1, 1994, and December 31, 2002, the number of quarters required will vary between 151 and 159 according to the year of birth) or is disabled, aged 65, a working mother, or a war veteran.

The full pension is awarded for insurance coverage of 150 quarters in the general scheme only. The pension is reduced for coverage of less than 150 quarters.

The pension is payable only when employment in the previous occupation has ceased definitely. Taking another job is permitted.

Minimum pension: The minimum pension, calculated on the basis of a 50% rate, cannot be less than •6,307.62 per year with 150 quarters of coverage in the general scheme. Otherwise, the minimum is reduced depending on length of coverage.

Maximum pension: 50% of maximum earnings for contribution purposes (•14,112.00 per year).

Constant-attendance allowance: •10,995.78 a year.

Spouse's supplement: •609.80 a year at age 65 (ages 60 to 64 if disabled) if the insured had 150 quarters of coverage; otherwise, proportionately reduced. Income-tested.

Child's supplement: Equal to 10% of the pension if the insured has raised three children.

Old-age allowance: Awarded in order to increase pensions up to a minimum amount of •2,807.72 a year for low-income pensioners who are 65 years old (age 60 if disabled) and, if single, who earn no more than •6,997.74 a year (•12,257.01 a year per couple).

Old-age supplement: •4,024.86 a year to a low-income pensioner; •6,641.57 for a married couple. The award is made under the same conditions as the old-age allowance (above) plus nationality and residency.

Means-tested allowance: •2,807.72 a year to low-income aged persons ineligible for the pension.

Benefit adjustment: Benefits adjusted for changes in the cost of living.

Permanent Disability Benefits

Disability pension: 50% of average earnings in the best paid 10 years if incapable of any professional activity, up to a maximum of •1,176 a month. The minimum pension is •233.98 a month.

Constant-attendance supplement: •916.32 a month.

Partial disability: 30% of average earnings in the best paid 10 years up to a maximum of •705.60 a month. The minimum pension is •233.98 a month.

Benefit adjustment: Benefits adjusted for changes in the cost of living.

Survivor Benefits

Survivor pension: Equal to 54% of the insured's pension. Payable to a widow, divorced or nonmarried wife, or widower; must not have remarried. The pension is proportionately divided if there is more than one qualified surviving spouse. The minimum pension is •2,843.87 a year if the insured had 60 quarters of coverage. If the acquired coverage period is less, the minimum is reduced proportionately.

The old-age pension is payable to a disabled widow or widower aged 55 whose spouse was also disabled, regardless of income or the length of marriage.

Child's supplement: Equal to 10% of the pension if the surviving spouse gave birth to, or raised, three children.

Child care supplement: •965.40 a year.

Benefit adjustment: Benefits adjusted for changes in the cost of living.

Surviving spouse's allowance: Payable for up to 2 years following the death of the insured. The amount is •503.24 a month. If the beneficiary is at least age 50, payment is extended until age 55. Income-tested.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision and issues regulations.

National Old-Age Pension Insurance Fund administers old-age pensions and surviving spouse's allowances.

National Sickness Insurance Fund administers disability and survivor pensions.

Contributions are collected by joint collection agencies.

Sickness and Maternity

Regulatory Framework

First law: 1928.

Current laws: 1945, 1967, 1971, 1974, 1978, and 1999.

Type of program: Social insurance system.

Coverage

Employed persons. Pensioners and some groups of nonemployed persons are also covered for medical benefits.

Special systems for agricultural, clergy, mining, railroad, public utility, and public employees; seamen; nonagricultural self-employed; and agricultural self-employed (medical benefits are provided under the general system for some groups).

Voluntary affiliation for residents not working in covered employment.

Source of Funds

Insured person: 6.8% of total earnings; old-age pensioners (low-income pensioners are exempt), 1.4% of old-age pension and 2.4% of private pension; unemployed, 2% of guaranteed minimum income for unemployed; 1% of unemployment benefits and training allowances. Flat-rate contributions for students, young persons, and others not covered otherwise.

Employer: 12.80% of total payroll.

Government: Proceeds from a 12% surcharge on automobile insurance premiums plus proceeds from an earmarked tax on the costs of pharmaceutical advertising, alcohol, and tobacco; government also provides funds for new hospital construction and part of the cost for certain health and social services.

The above contributions also finance disability and survivor benefits.

Qualifying Conditions

Sickness benefit: For benefit entitlement of up to 6 months, 200 hours of paid employment in the last 3 months; beyond 6 months but less than 3 years, 800 hours of paid employment in the last 12 months, including 200 hours in the first 3 months.

Maternity benefit: Ten months of registration and 200 hours of paid employment in the last 3 months preceding the start of pregnancy.

Medical benefits: For benefit entitlement, 60 hours paid employment in the last month with contributions paid on wages amounting to at least 60 times the minimum wage, or 120 hours of employment in the last 3 months with contributions of an amount equal to 120 times the minimum wage. Under these conditions, benefits can be paid for 1 year.

With 1,200 hours of employment in the course of 1 year or contributions of an amount equal to 2,030 times the minimum wage, benefits are paid for 2 years.

Sickness and Maternity Benefits

Sickness benefit: For sickness leave of no more than 6 months, 50% of the daily basis salary (mean salary of the 3 months preceding the onset of sickness). The maximum benefit is •39.20 a day; 2/3 of the daily basis salary from the 31st day onward if the insured has at least three dependent children. Benefit is payable at a maximum of •52.27 a day.

For sickness leave beyond 6 months, benefit is paid at 51.49% of the daily basis from the first day of the 7th month onward. The maximum benefit is •40.32 a day; 68.66% of the daily salary basis if the insured has at least three dependent children. Benefit is payable at a maximum of •53.76.

Benefit is payable after a 3-day waiting period for up to 360 days in a 3-year period.

For chronic or prolonged illness, the period of entitlement is 3 years; the 3-year period can also be noncontinuous.

Benefit adjustment: Cash sickness may be adjusted in accordance with changes to wages in cases in which sickness leave exceeds 3 months.

Maternity benefit: 100% of net earnings. Payable for 6 weeks before and 10 weeks after the expected date of childbirth for the first and second child; for 8 weeks before and 18 weeks after the expected date of childbirth for the third child; for 12 weeks before and 22 weeks after the expected date of childbirth for twins; for 24 weeks before and 22 weeks after the expected date of childbirth for triplets.

Benefit is payable for 2 additional weeks if maternity hospital care is needed because of a pathological condition in connection with the pregnancy, except in cases of multiple birth of three or more.

The maximum benefit is •62.88 a day; in Alsace-Moselle, •61.47 a day.

Benefits that are payable in cases of adoption correspond to those for the postnatal period.

Workers' Medical Benefits

Cash refunds of part of medical expenses. Benefits include general and specialist care, hospitalization, laboratory services, medicines, dental care, maternity care, appliances, and transportation. The insured normally pays for services and is reimbursed by the local sickness fund.

The amount reimbursed depends on the type of service, for example, 70% for medical services, 60% for paramedical services, 80% for hospitalization, and 35% or 65% for pharmaceuticals.

The insured pays a set daily fee for hospital room and board charges (disabled children, war victims, and work accident victims are exempt) in addition to the above cost-sharing arrangements. There is no limit to duration.

Dependents' Medical Benefits

Same as for insured person except for in-kind benefits.

Following divorce from, or death of, the insured, medical benefits are payable for 1 year or until the youngest child's third birthday. Protection is unlimited for an eligible person who has raised three or more children.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

Governed by a bipartite body, the National Sickness Insurance Fund coordinates regional funds and financial equalization.

Governed by a bipartite body, Regional Sickness Insurance Funds coordinate local funds.

Governed by a bipartite body, Primary Sickness Insurance Funds register the insured, pay cash benefits, and administer refunds of medical expenses.

Contributions are collected by joint collection agencies.

Work Injury

Regulatory Framework

First law: 1898.

Current laws: 1946, 1967, 1972 (agriculture), and 1994.

Type of program: Social insurance system.

Coverage

Employed persons, vocational education students, and certain nonpaid members of social service organizations.

Special systems for agricultural, mining, railroad, public utility, and public employees; seamen; nonagricultural self-employed; and agricultural self-employed.

Source of Funds

Insured person: None.

Employer: Total cost. Contributions vary according to the assessed degree of risk. The average contribution is 2.26% of total payroll.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

During the first 28 days, the benefit is 60% of earnings; thereafter, 80% of earnings. Benefit is payable from the day following the onset of the incapacity for work.

Permanent Disability Benefits

Permanent disability pension: 100% of average earnings during last the 12 months, if totally disabled. The minimum and maximum pensions are established by formula.

Constant-attendance supplement: 40% of pension.

Partial disability: Average earnings of the last 12 months preceding disability multiplied by 50%, then multiplied by the degree of incapacity for a disability between 10% and 50%; for a disability above 50%, the average earnings of the last 12 months preceding disability are multiplied by 150%.

A lump sum is payable if less than 10% incapacity.

Workers' Medical Benefits

All necessary care, including medical treatment and surgery, hospitalization, medicines, appliances, rehabilitation, and transportation. Services are paid for directly by the fund, with no cost-sharing by patient.

Survivor Benefits

Survivor pension: 30% of earnings of the insured if under age 55, or 50% from age 55 or if disabled. The pension is payable to a widow or a widower.

Orphan's pension: 15% of earnings for each of the first two children under age 16 (age 17 if unemployed, age 18 if an apprentice, age 20 if a student or if disabled); 10% for each additional child; 20% each if full orphan.

Other dependent relatives: 10% of earnings each, up to maximum of 30%.

Maximum survivor pension: 85% of earnings of insured.

Funeral grant: Cost of burial up to a set limit.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

National Sickness Insurance Fund administers the program at the national level.

Primary Sickness Insurance Funds pay benefits.

Regional Sickness Insurance Funds assess contributions and implement prevention.

Contributions are collected by joint collection agencies.

Unemployment

Regulatory Framework

First law: 1905.

Current laws: 1967 (legal extension of 1958 labor-management agreement on unemployment insurance), 1972 (guaranteed income for unemployed aged 60 and over), 1974 (agriculture), 1984 (insurance scheme and assistance scheme), 1986 (conversion insurance scheme), 1988 (recycling education allowance), 1992 (unique decreasing allowance), and 1995 (employment replacement allowance).

Type of program: Social insurance system and solidarity system (social assistance).

Coverage

Unemployment insurance: Employed persons.

Excluded: Public-sector workers to whom the same compensation rules are applicable by their employers.

Special systems for construction workers, dockworkers, merchant seamen, aviators, domestic workers, seasonal workers, doorkeepers, and disabled personnel in sheltered workshops.

Solidarity program (means-tested): Long-term unemployed having exhausted unemployment insurance; certain other designated categories.

Source of Funds

Insured person: 2% of monthly earnings.

Employer: 3.60% of payroll.

Government: Total cost of the solidarity program.

Maximum earnings for contribution and benefit purposes are •9,408 a month.

Qualifying Conditions

Unemployment benefit: Under age 60, or between ages 60 and 65 without enough required quarters of coverage to qualify for a full old-age pension (159 quarters in 2002), and 4 months of work during the last 18 months. Must be resident in France, registered at an employment office, and capable of, and available for, work. Unemployment is not due to voluntary leaving, misconduct, or refusal of a suitable job offer.

Solidarity allowance: Long-term unemployed or aged 50 and over and unemployed with 5 years of employment during the last 10 years preceding the end of the employment contract. The benefit is income-tested with monthly earnings not to exceed •935.20 for a single person; •1,469.60 for a couple.

Insertion allowance: Awarded to foreign nationals, victims of accidents at work, those diagnosed with an occupational illness, refugees, certain groups of noncitizens, or those in detention immediately prior to unemployment. The allowance is income-tested with monthly earnings not to exceed •846.90 for a single person; •1,693.80 for a couple.

Preretirement benefit: At least 59 years and 6 months old and receiving unemployment benefit for 365 days. Must have 12 years of contributions and 1 year of uninterrupted employment, or 2 years of interrupted employment, in the last 5 years. Otherwise, must have 160 quarters of recognized contributions for the old-age pension as of December 31, 2001.

Unemployed retirement-equivalent allowance: Awarded to unemployed persons with 160 quarters of recognized contributions for the old-age pension. The allowance is income-tested with monthly earnings not to exceed •1,383.84 for a single person; •1,989.27 for a couple.

Unemployment Benefits

Unemployment benefit: The benefit varies according to the value of declared previous income but is between 57.4% and 75.0% of the daily reference wage. The duration of the benefit award varies according to age (between 4 months and 30 months for insured persons less than 50 years old and between 4 months and 60 months for insured persons aged 50 and older) and the length of covered employment.

Solidarity allowance: Variable amount renewable every 6 months if qualifying conditions are still satisfied. The maximum allowance is •400.80 a month with additional total supplements of •174.90 under certain conditions of age and activity. Income from employment is not excluded under certain conditions for a period of up to 12 months; conditions are waived for those older than age 50.

Insertion allowance: Variable income-tested allowance is renewable only once after the initial 6-month period if qualifying conditions are still satisfied. The maximum allowance is •282.30 a month. Income from employment is not excluded under certain conditions for a period of up to 12 months.

Preretirement benefit: The continuation of entitlement to the same value of benefit as initially awarded under unemployment benefit until age 60.

Unemployed retirement-equivalent allowance: A variable income-tested allowance awarded until age 60 to replace the solidarity allowance, the insertion allowance, or to complement unemployment benefit. The maximum benefit is •877 a month.

Administrative Organization

Unemployment insurance organizations with bipartite (labor-management) governing bodies administer unemployment insurance and pay unemployment insurance benefits.

Family Allowances

Regulatory Framework

First law: 1932.

Current law: 1946.

Type of program: Universal system.

Coverage

Family allowances: Families living in France for at least 3 months.

Source of Funds

Insured person: None, except the self-employed and farmers.

Employer: 5.4% of payroll.

Government: 1.1% of total revenues used to finance family allowances.

Qualifying Conditions

Family allowances: At least two children under age 20 and earnings of less than 55% of the minimum wage.

Young child allowance: Paid from the fifth month of pregnancy until the child is age 3. Income-tested.

Family supplement: Three or more children older than age 3 and up to age 21, and earnings below a certain ceiling.

Accommodation allowance: At least one child under age 21. Paying rent or monthly mortgage payments. Income-tested.

Single-parent allowance: Awarded for a limited period to a single woman who is pregnant or caring for children.

Family support allowance: Payable, under certain conditions, to a parent raising a child without the help of the other parent, or to a third person caring for the child.

Adoption allowance: Payable for 21 months to a family adopting a child. Income-tested.

Child-rearing allowance: Paid to a parent who stops paid work or reduces paid activity to raise a second or subsequent child; employed for 24 months during last 5 years or 10 years preceding the birth or the adoption. The allowance is paid until the child reaches age 3.

Home child care allowance: Paid to employed parents who pay for a person to care for their young child at home.

Accredited child care benefit: Awarded for children under age 6 if parents are working and pay for child care by an accredited carer. The benefit includes a cash benefit and the payment of social security contributions.

Special allowance: Caring for a handicapped child.

Beginning of school year allowance: Awarded for children between ages 6 and 18. Income-tested.

Parental child care allowance: Awarded for a maximum period of 12 months to a parent who has fully or partially ceased employment to care for a seriously sick, injured, or handicapped child.

Family Allowance Benefits

Family allowances: •108.86 a month for two children; •139.47 for each subsequent child. An additional •30.62 for children from age 11 to age 16; •54.43 for children over age 16 (except for the first in a two-child family).

Young child allowance: A maximum of •156.31 a month per family.

Family supplement: •141.68 a month per family.

Accommodation allowance: A variable amount depending on rent level, income, and the number of children.

Single-parent allowance: The allowance is equal to the difference between earnings and the guaranteed income. The guaranteed income is •512.81 a month during pregnancy; •683.75 with one child and •170.94 for each additional child.

Family support allowance: •102.95 or •76.54.

Adoption allowance: •156.31 a month.

Child-rearing allowance: A maximum of •484.97.

Home child care allowance: Covers part of social security contributions where employed parents pay for a person to care for their young child at home.

Accredited child care benefit: According to family income and the age of the child, the benefit is paid at a rate between •130.90 and •199.78 a month for a child under age 3; between •65.46 and •99.91 for a child aged 3 to age 6.

Special allowance: •109.40 a month, plus an eventual additional amount of •82.05, •246.15, or •916.32 according to the degree of handicap of the child.

Beginning of school year allowance: •249.07 per child.

Parental child care allowance: •484.97 for couples and •641.34 for single-parent families.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

Governed by a tripartite body (representatives of employer, employee, and family organizations), the National Family Allowances Fund coordinates funds and ensures financial equalization.

Governed by a tripartite body (representatives of employer, employee, and family organizations), the Local Family Allowances Funds pay benefits.

Germany

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1889.

Current law: 2001.

Type of program: Social insurance system.

Note: Following the unification of the Federal Republic of Germany (FRG) and the German Democratic Republic (GDR) on October 3, 1990, the social security system of the FRG remained in force and the system of the GDR continued to apply on an interim basis within the former GDR territory. The FRG and GDR systems were merged effective January 1, 1992, at which time Part VI of the Social Act came into force throughout the entire federal territory. In the summary that follows, particular provisions that were in place on January 1, 2002, in the new federal states are preceded by the designation "E".

Coverage

Employed persons (including apprentices), certain self-employed persons, persons caring for a child under age 3, recipients of social benefits (such as unemployment benefits), conscripts or persons doing community service instead of military service, and voluntary care workers.

Special systems for certain self-employed persons, miners, public employees (supplementary insurance), and farmers.

Voluntary affiliation for all others aged 16 or older who are currently exempt from compulsory insurance, including German citizens residing abroad and resident foreigners.

Source of Funds

Insured person: 9.55% of earnings; none if earnings are below •325 a month; self-employed, 19.1%.

Employer: 9.55% of payroll.

Government: Subsidy to compensate for cost of benefits not covered by contributions.

Maximum earnings for contribution purposes are •54,000 a year (E - •45,000).

Qualifying Conditions

Old-age pension: Age 65 with 5 years of contributions. Early retirement is possible from age 63 with 35 years of coverage; from age 60 with 15 years of contributions and unemployed 1 year after age 58 and 6 months or in part-time work for older employees for at least 24 months before age 60; from age 60 for women if they have 10 years of compulsory contributions after

age 40; from age 60 for severely disabled individuals with a minimum of 35 years of coverage.

Partial retirement is available for pensioners under age 65 with partial cessation of employment; if earnings are less than •325 a month, full pension is paid; if earnings are above that amount, partial pension is paid at 2/3, 1/2, or 1/3 depending on the individual's earnings level.

Disability pension: Full reduction in earning capacity (unable to work more than 3 hours a day in any form of employment) or partial reduction in earning capacity (unable to work at least 6 hours a day in any form of employment: for insured persons born before January 2, 1961, unable to work at least 6 hours a day in former occupation). Total of 5 years of contributions and 36 months of compulsory contributions out of last 5 years.

Survivor pension: Deceased had 5 years of contributions or was pensioner at death.

Old-Age Benefits

Old-age pension: The total of individual earnings points (individual's annual earnings divided by the average earnings of all contributors multiplied by the entry factor), multiplied by the pension factor of 1.0 and the pension value. The pension value is the monthly benefit amount for 1 year's average covered earnings, adjusted for changes in wages. From January 1, 2002, to June 30, 2002, the value is •25.31 (E - •22.06). Periods of incapacity for work, unemployment, and schooling after age 17 are also taken into account. The normal entry factor is 1.0 and increases or decreases depending on the age at which the pension is drawn.

For low-income workers with 35 years of coverage, the value of compulsory contributions paid before 1991 is increased to 1.5 times the value, up to a maximum of 75% of the value of contribution for average earnings of all insured persons.

For persons with 25 years of coverage, the value of compulsory contributions paid after 1992 while caring for a child under age 10 is increased to 1.5 times the value, up to the value of contribution for average earnings of all insured.

For early retirement, the entry factor (1.0) is reduced by 0.003 for every calendar month a pension is drawn before age 65.

For deferred retirement, the entry factor (1.0) is increased by 0.005 for every calendar month a pension is drawn after age 65.

Benefit adjustment: Benefits are adjusted annually on July 1 for changes in the pension value in proportion to changes in earnings and the contribution rate.

Permanent Disability Benefits

Disability pension: Same as old-age pension. If disability occurs before age 60, the period from the beginning of the reduction in earning capacity up to age 60 is taken fully into account for the purpose of calculating the pension (for a transitional period until 2004, a shorter time after age 55 is taken into account).

Pension factor for full reduction in earning capacity equals 1.0; for partial reduction, pension factor is 0.5.

The normal entry factor (1.0) is reduced by 0.003 for every calendar month a pension is drawn before age 63 (maximum reduction is 0.108).

Benefit adjustment: Benefits are adjusted annually on July 1 for changes in the pension value in proportion to changes in earnings and the contribution rate.

Survivor Benefits

Survivor pension: Same as disability pension for full reduction in earning capacity; see disability pension, above. Pension factor is 1.0 in the first 3 months, then 0.55 if age 45, disabled, or caring for at least one child (0.6 if married before 2002 and one spouse born before January 2, 1961); otherwise 0.25. Special rules if recently married. Payable to widow or widower.

Orphan's pension: Pension factor is 0.1 for orphan and 0.2 for full orphan. Supplements are paid depending on length of coverage of deceased and other factors. Payable in full if net income is less than limit; for higher income, 40% is offset against pension.

Benefit adjustment: Benefits are adjusted annually on July 1 for changes in the pension value in proportion to changes in earnings and the contribution rate.

Administrative Organization

Federal Ministry of Labor and Social Affairs, general supervision. Different organizations administer benefits for wage earners, salaried employees, and miners.

Sickness funds collect contributions for employees from employers and forward them to pension insurance organizations; others (for example, self-employed) pay directly to the organizations.

Sickness and Maternity

Regulatory Framework

First law: 1883.

Current laws: 1924 (maternity benefits), 1988 (sickness insurance), and 1994 (long-term care).

Type of program: Social insurance system.

Coverage

Compulsory insurance for all wage and salary earners earning up to €40,500 a year; pensioners, students, and persons with disabilities under certain conditions; apprentices and beneficiaries of unemployment benefits.

Special systems for miners, artists, public employees, and self-employed farmers.

Voluntary insurance in particular for persons whose compulsory insurance ends, subject to certain conditions.

Long-term care for all persons covered by the statutory sickness insurance scheme and some special groups subject to

certain conditions. Persons with private sickness insurance must buy equivalent private coverage for long-term care.

Source of Funds

Sickness and maternity

Insured person: On average, 7% of covered earnings, according to fund; no contribution if earning less than €325 a month. Pensioners contribute on average 7% of pension.

Employer: On average, 7% of payroll, according to fund, and 14% for employees earning less than €325 a month.

Government: Subsidy for maternity benefits; benefits for unemployed and persons in authorized training; subsidy for pensioned farmers' and students' health benefits.

Pension insurance organizations: Pay same contribution as, and on behalf of, compulsorily insured pensioners and a contribution subsidy for voluntarily insured pensioners.

Maximum earnings for benefit and contribution purposes are €40,500 a year (adjusted annually to 75% of pension contributions ceiling).

Long-term care

Insured person: In one federal state, 1.7% of earnings; in all others, 0.85% of earnings.

Employer: In one federal state, 0% of payroll; in all others 0.85% of payroll.

Government: Contributes for unemployed, farmers, and students receiving benefits under the Federal Education Support Act (BaföG).

Pension insurance organizations: Pay same contribution as, and on behalf of, compulsorily insured pensioners (0.85%) and a contribution subsidy for voluntarily insured pensioners.

Maximum earnings for contribution purposes (long-term care) are €40,500 a year (adjusted annually to 75% of pension contributions ceiling).

Qualifying Conditions

Cash sickness and medical benefits: Membership in sickness fund. No minimum membership period required for medical benefits.

Cash sickness benefit: Insured persons who are unable to work, are hospitalized, or are taking care of a sick child younger than age 12.

Long-term care benefit: Payable on one of three levels depending on degree and frequency of care required:

1. Substantial need for care with at least one daily procedure required;
2. Severe need for care with daily procedure three times per day required;
3. Critical need for care with round-the-clock care required.

In addition, all three levels require a need for help with housework several times a week. In 2002, to be eligible, the

insured must have coverage in a long-term care fund of at least 7 years; from 2003, at least 8 years.

Sickness and Maternity Benefits

Sickness benefit: Sickness funds pay 70% of gross earnings (up to a maximum of 90% of net earnings) for up to 78 weeks in 3 years for the same illness.

If child is ill, sickness benefit is paid up to 10 working days per child but no longer than 25 days per insured person in each calendar year. If single parent, benefit is payable for 20 working days per child up to 50 days in calendar year.

Maternity benefit: For female fund members with an employment contract, 100% of net earnings (up to •13 per day from sickness fund, remainder paid by employer) is payable 6 weeks before and 8 weeks after expected date of birth; other members receive the same amount as for sickness benefit.

Lump-sum payment of •77 payable per birth if insured is not eligible for maternity benefit.

Long-term care: Carer's allowance is payable in cases in which the insured organize care provision for themselves (for example, care provided by relatives). Allowance is •205, •410, or •665 per month depending on the degree and frequency of care required.

Possibility of combining carer's allowance with benefits in kind (see home care benefits in section on Worker's Medical Benefits, below) provided by professional care workers (carer's allowance decreases in proportion to claimed in-kind benefits).

Social security of carers: Contributions paid to old-age pension insurance by long-term care funds on behalf of unpaid relatives who provide care for at least 14 hours a week for a person needing care at home and who are not employed for more than 30 hours a week. The paid contributions depend on the level of care required. Work injury insurance while providing care. After termination of care, carers have right to cost-of-living allowance in order to facilitate their return to employment.

Workers' Medical Benefits

Benefits provided to patients by doctors, hospitals, and pharmacists under contract with sickness funds. Includes comprehensive medical and dental care, preventive examinations and treatment, laboratory tests, maternity care with midwife or doctor, hospitalization, surgery, appliances, and prescribed medicines. Copayment required for medicines, appliances, hospitalization, and transportation but not for hardship cases (depending on means).

Long-term care (home care benefits): Care at home and housework provided by professional care workers or outpatient care services, appliances and technical assistance (such as home modification), day and night care (including services partially provided by a care establishment), short-term institutional care, care at home if the care is organized by the insured person (see long-term care cash benefits, above) is

temporarily unavailable. Maximum amounts are fixed for the different services.

Claimable in-kind benefits for care at home are •384, •921, or •1,432 depending on level of care required.

Long-term care (institutional care benefits): Costs of care services are covered up to maximum amounts. Insured pay for costs of room and meals.

Dependents' Medical Benefits

Medical benefits: Same as for insured person.

Long-term care: Same as for insured person.

Administrative Organization

Federal Ministry of Health handles general supervision.

Federal Insurance Institute supervises federal health insurance.

Supervision at state level by designated state authorities.

Sickness funds administer contributions and benefits. Separate sickness funds are organized within federations at the national and, if applicable, at the state level. Day-to-day administration of funds is handled by a board of directors who are elected by an administrative council generally consisting of representatives of insured persons and employers.

Regional physicians' associations contract annually with federations of funds on payment for medical services.

Total sum paid by sickness funds to physicians' associations is apportioned by the latter to participating doctors.

Federal Ministry of Labor and Social Affairs handles general supervision of long-term care. Separate funds for long-term care organized by sickness funds and private sickness insurance funds administer benefits. Federal states pay construction costs for long-term care institutions.

Work Injury

Regulatory Framework

First laws: 1884 (work accidents) and 1925 (occupational diseases).

Current law: 1996.

Type of program: Social insurance system.

Coverage

Employed persons, some categories of self-employed, voluntarily insured employers, apprentices, students, children in kindergarten, and family helpers in agriculture.

Special system for civil servants and public employees with similar status.

Source of Funds

Employees: None.

Employer: Contributions vary according to classes of risk. Average contribution is 1.31% of payroll.

Government: Subsidy to agricultural accident insurance and for coverage of students and children in kindergarten.

Maximum earnings for benefit purposes vary; maximum is •84,000 a year.

Qualifying Conditions

Work injury and occupational disease benefits: No minimum qualifying period.

Temporary Disability Benefits

Same as for ordinary sickness, including payment by employer. After termination of the continuous wage payment (in most cases 6 weeks), payment is assumed by the accident insurance fund. Payable from day after insured event to recovery or beginning of pension payment.

Permanent Disability Benefits

Pension is 66.6% of last year's earnings if 100% disabled (full pension). Partial disability pension if loss of earning capacity is 20% or more: percentage of full pension corresponding to loss of earning capacity.

Supplement for severely disabled: 10% of basic pension if loss of earning capacity is 50% or more and person is receiving another pension.

Constant-attendance supplement: •286 to •1,143 a month (E - •246 to •983).

Workers' Medical Benefits

Comprehensive medical care; medical, occupational, and social rehabilitation; appliances and help with housework. Provided exclusively by accident funds.

Agricultural accident insurance covers the provision of assistance to guarantee vital farming operations.

Survivor Benefits

Survivor pension: During first 3 calendar months after death, pays 66.6% of earnings of insured. Thereafter, 40% of earnings of insured if age 45, disabled, or caring for at least one child; otherwise 30% of earnings ("small survivor pension"). As of January 1, 2002, payment of "small survivor pension" is limited to 2 years if survivor is younger than age 40. Payable to widow or widower.

Orphan's pension: 20% of earnings of insured for each orphan under age 18 (under 25 if student or disabled) or 30% if full orphan.

Earnings over a certain limit are offset in the case of beneficiaries over age 18.

Parents and grandparents (depending on means) receive 20% of earnings of insured if single beneficiary, 30% if couple.

Former spouses (if eligible) may receive survivor pension. Amount is split between survivor and former spouse according to length of marriage.

Maximum survivor pension is 80% of earnings of the insured.

Death grant: •4,020.

Administrative Organization

Federal Ministry of Labor and Social Affairs supervises accident prevention and primary care.

Federal Insurance Institute or relevant state authorities supervise other areas.

Accident insurance funds (nonagricultural, agricultural, public authorities) administer scheme. Bipartite management by elected representatives of employers and the insured. Special accident insurance carriers for public employees.

Unemployment

Regulatory Framework

First law: 1927.

Current law: 2002.

Type of program: Compulsory insurance system.

Coverage

Employed persons, including home-workers, apprentices, and trainees; other groups (such as participants in occupational training schemes) are also included to a certain extent.

Excludes negligible employment (mini-jobs).

Source of Funds

Insured person: 3.25% of covered earnings.

Employer: 3.25% of covered earnings.

Government: Loans or subsidies to cover any deficit; also covers cost of unemployment assistance.

Maximum earnings for contribution purposes are •54,000 a year.

Qualifying Conditions

Unemployment benefit: Personally registered at employment office, capable of and available for work; 360 days of insured employment in last 3 years (180 days for seasonal workers).

Unemployment assistance: Based on need, available for workers with 150 days of employment in last year or who have exhausted their statutory unemployment benefit.

In certain cases, the right to unemployment benefit or assistance can be suspended (for up to 12 weeks).

Unemployment Benefits

Unemployment benefit: 67% of net earnings for unemployed with children (60% if no children). Payable for 180 to 960 calendar days according to length of insured employment and age.

Unemployment assistance (means-tested): 57% of net earnings (53% if no children). Duration is 360 calendar days; no limit on duration if payable after unemployment benefit has been exhausted.

Short-time work benefit: Paid to workers who lose working hours for short periods, in particular due to economic reasons.

Bad weather allowance: Paid to construction workers whose work is halted due to bad weather; payable after 100th hour of stoppage between November 1 and March 31 of any year.

Cost-of-living allowance: Paid to participants in occupational training, retraining, and rehabilitation.

Administrative Organization

Federal Ministry of Labor and Social Affairs supervises.

Local employment offices handle placement, career guidance, and administration of benefits.

Sickness funds collect contributions.

Family Allowances

Regulatory Framework

First law: 1954.

Current law: 2002.

Type of program: Universal system.

Coverage

Parents with one or more children.

Full orphans and children who do not know where their parents live.

Source of Funds

Parents: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Child benefit: Child must be under age 18 (under 21 if unemployed; under 27 if in education, if no apprenticeship is available, or if carrying out a voluntary service); no limit if disabled. For children above 18 years of age, the amount of the child benefit depends on their income.

Family Allowance Benefits

Child benefit: •154 a month for first, second, and third child; •179 for each subsequent child. (Lower rates may be paid if children of workers employed in Germany reside in countries where cost of living is lower.) If child supplements from the statutory work accident or pension programs are paid, a child benefit is payable only if it is higher, and then only for the difference.

Administrative Organization

Federal Finance Office administers benefits through the Federal Institute for Labor (through regional and local labor offices) under the title Family Fund, for public employees through their salary payment offices.

Administrative costs are reimbursed by the federal government.

Greece

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1934.

Current laws: 1951, 1981 (special noncontributory old-age pension), 1990, 1992, and 1996.

Type of program: Social insurance system.

Coverage

Employees in industry, commerce and related occupations, and certain urban self-employed workers are covered.

Employees affiliated with approved occupational and establishment funds providing equivalent benefits are exempt from the general system.

Special systems for agricultural workers, public employees, tradesmen, and craftsmen.

Voluntary coverage is available to Greeks living abroad.

Source of Funds

Insured person: 6.67% of earnings; 8.87% if in arduous or unhealthy employment.

Employer: 13.33% of payroll; 14.73% if in arduous or unhealthy employment.

Government: 10%.

Maximum earnings for contribution and benefit purposes are •25,192 a year or 14 monthly salaries of •1,799.

Qualifying Conditions

Old-age pension: Age 65 (men) and age 60 (women) with 4,500 days of contributions. Age 65 (men and women) for those who first start working after 1993. Age 60 (men) and age 55 (women) with 4,500 days of contributions of which at least 3,600 days were in arduous or unhealthy employment, including at least 1,000 days in the last 10 years. Age 62 (men) and age 57 (women) with 10,000 days of contributions. Age 58 (men and women) with 10,500 days of contributions. Age 55 (women with dependent or disabled children) with 5,500 days of contributions.

Reduced pension: Age 50 (women with dependent or disabled children) with 5,500 days of contributions. For men and women, age 60 with 4,500 days of contributions.

Benefit is suspended if the beneficiary is working and earnings exceed 50 times the minimum wage of an unskilled worker (•1,047).

Benefit is payable abroad under reciprocal agreement.

Pensioners' social solidarity grant: Age 60 in the cases of old-age and survivor pensioners. Annual allowable income from pension and earnings up to •5,710, yearly personal taxable income up to •6,602, and family taxable income up to •10,367.

Disability pension: Loss of 80% of normal earning capacity for 100% disability; at least 50% loss for partial disability. The insured worker must have 4,500 days of contributions or 1,500 days, including 600 days in the 5 years preceding the onset of disability. For those not yet age 21, 300 days are required in the 5 years preceding the onset of disability; the number of days is gradually increased to 4,200 by adding 120 work days for each year after age 21. (There are different requirements for persons whose working career started after 1993).

Pensioners' social solidarity grant: Same as for old-age pension (see above).

Survivor pension: The qualifying conditions for the survivor pension vary according to the date the deceased entered the system.

Persons insured before 1993: A widow, or a disabled widower without means, whose marriage lasted at least 6 months (2 years if a widow of a pensioner).

Persons insured from January 1, 1993: A widow or widower with monthly income not exceeding 40 times the minimum daily wage for an unskilled manual worker, and must be disabled, age 45, or have two dependents.

Changes effective January 5, 1999, covering all insured persons regardless of when the insured entered the system: The surviving spouse, irrespective of age, is entitled to the survivor pension for a period of 3 years commencing the month following death. Survivors over age 40 when their spouse dies may receive benefits beyond 3 years provided that they do not work or receive any other pension. Survivors who work or receive a pension are entitled to 50% of the normal survivor pension. A full survivor pension is paid if the survivor has a mental or physical disability of at least 67%. Survivor pensions that have been interrupted or reduced will be paid in full when the survivor reaches age 65. Should the survivor work or receive any other form of pension after age 65, 70% of the survivor pension will be paid.

Pensioners' social solidarity grant: Same as for the old-age pension (see above).

Old-Age Benefits

Old-age pension: 30% to 70% of average earnings during the last 5 years, varying inversely with earnings level, according to 28 wage classes, plus 1% of earnings for each 300 days of contributions between 3,300 days and 7,800 days and 1.5% to 2.5% (depending on earnings level) for every 300 days beyond 7,800 days.

For persons who first start working after 1993, 1.714% of average earnings during the last 5 years.

The minimum pension is •360 a month, increased by dependents' supplements.

Early pension: The pension is reduced by 0.5% for each month of early retirement.

Dependents' supplement: •26.99 a month for a nonworking wife or a dependent disabled husband; •17.98 for each child up to a ceiling of 3.20% of the basic pension for the first child, 15% for second, and 10% for third.

The maximum pension is dependent on the insured's earnings.

Schedule of payments: 14 payments a year.

Benefit adjustment: Pensions are indexed to the pensions of civil servants.

Pensioners' social solidarity grant: •80.86 a month for a pension up to •443; •25.89 a month for a pension up to •5,404; •40.43 a month for a pension up to •5,540; •20.21 a month for a pension up to •5,710 (figures based on annual income in 1999).

Permanent Disability Benefits

Disability pension: Same as for the old-age pension (see above), including supplements. Entitlement to the pension begins after that for cash sickness benefit ends. For the loss of 80% of normal earning capacity, the recipient is entitled to 100% of the full old-age pension; for a loss of 67% to 79% of earning capacity, the entitlement is 75% of the full old-age pension.

Partial disability: For the loss of 50% to 66% of earning capacity, the entitlement is 50% of the full old-age pension.

The minimum pension is •360 a month.

Schedule of payments: 14 payments a year.

Pensioners' social solidarity grant: Same as for the old-age pension (see above).

Survivor Benefits

Survivor pension: The benefits for the survivor pension vary according to the date the deceased entered the system.

For survivors of an insured worker affiliated before 1993: 70% of the basic pension of the insured is payable to a widow or to a dependent disabled widower if they were married for at least 6 months (2 years if the deceased was a pensioner). Conditions are waived in cases of accidental death or if a child was born from the marriage.

For survivors of insured persons affiliated from January 1, 1993: The surviving spouse receives 50% of the pension; monthly income must not exceed 40 times the minimum daily wage, and the spouse must be disabled, age 45, or have two dependents. One-half the normal pension is awarded if the monthly income is higher than 40 times the minimum daily wage.

According to changes effective January 5, 1999, covering all insured persons independent of the date of affiliation: The surviving spouse, irrespective of age, is entitled to the survivor's pension for a period of 3 years commencing the month following death. Survivors aged 40 or older when their spouse dies may receive benefits beyond 3 years provided that

they do not work or receive any other pension. Survivors who work or receive a pension are entitled to 50% of the normal survivor pension. A full survivor pension is paid if the survivor has a mental or physical disability of at least 67%. Survivor pensions that have been interrupted or reduced will be paid in full when the survivor reaches age 65. Should the survivor work or receive any other form of pension after age 65, 70% of the survivor pension will be paid.

Orphan's pension: 20% of the basic pension of the insured; 60% for a full orphan if under age 18 (age 24 if a student, no limit if disabled).

For deceased insured persons who first started working from January 1, 1993, each orphan receives 25%.

Grandchild or parent (in absence of above): 20% of the pension; 40% if a widowed mother.

Minimum survivor pension: •34 a month.

Maximum survivor pension: 100% of the pension of the insured; 80% if the spouse is not a survivor.

Schedule of payments: 14 payments a year.

Pensioners' social solidarity grant: Same as for old-age pension (see above).

Funeral grant (under sickness insurance): A lump sum of •628.

Administrative Organization

Ministry of Labor and Social Security provides general supervision.

Social Insurance Institute administers the program through branch offices for most covered workers.

Social Insurance Institute managed by a governor and tripartite governing body.

Numerous special occupational and establishment funds administer programs for workers exempt from the general system.

Sickness and Maternity

Regulatory Framework

First law: 1922.

Current laws: 1951 and 1984 (national health service).

Type of program: Social insurance system.

Coverage

Employees in industry, commerce and related occupations, and certain urban self-employed workers are covered. Pensioners are also covered for medical benefits. Employees affiliated with approved occupational and establishment funds with equivalent benefits are exempt from the general system.

Special systems operate for agricultural workers (noncontributory old-age pensioners covered for medical benefits) and public employees.

Source of Funds

Insured person: 2.55% of earnings for medical care; 0.4% of earnings for cash benefits. Pensioners contribute 4% of pension.

Employer: 5.1% of payroll for medical care; 0.8% of payroll for cash benefits.

Government: 3.8%.

Maximum earnings for contribution and benefit purposes are •25,192 a year.

No ceiling for those who start working after January 1, 1993.

Qualifying Conditions

Cash sickness benefit: 100 days of contributions in the calendar year preceding illness, or 100 days in the last 15 months excluding the last quarter.

Cash maternity benefit: 200 days of contributions in the last 2 years.

Medical benefits: 50 days of contributions in the last year (25 days for a nonoccupational accident) or a pensioner.

Sickness and Maternity Benefits

Cash sickness benefit: 50% of earnings, plus 10% of benefit for each dependent.

Maximum benefit is •21.75 a day after 15 days of support.

Minimum benefit is •11.83 a day for the first 15 days of support.

Benefit is payable after a 3-day waiting period for up to 720 days with 1,500 days of employment.

During the first month the employer pays the difference between the cash benefit and worker's earnings.

Cash maternity benefit: 50% of earnings, plus 10% of benefit for each dependent.

Minimum benefit is •6 a day. Benefit is payable for up to 56 days before and 63 days after childbirth.

Lump-sum maternity benefit: •628 for each child (as of July 1, 2001).

Workers' Medical Benefits

Medical services are ordinarily provided directly to patients through facilities of the Social Insurance Institute. Benefits include general and specialist care; care in a hospital, sanatorium, or nursing home; medicines; maternity care or a delivery grant if care is not available; dental care; appliances; and transportation.

Patients are charged 25% of pharmaceutical costs and up to 25% of the cost of other services (including prostheses and eyeglasses) except hospitalization. There is no limit to duration.

Dependents' Medical Benefits

Same as for the insured worker (see above).

Administrative Organization

Ministry of Labor and Social Security provides general supervision.

Social Insurance Institute administers the program through branch offices for most covered workers.

Institute operates own dispensaries, clinics, and hospitals and also uses other public and private facilities.

Numerous special occupational and establishment funds administer programs for workers exempt from the general system.

Work Injury

Regulatory Framework

First law: 1914.

Current law: 1951.

Type of program: Social insurance system.

Coverage

Employees in industry, commerce, and related occupations are covered. Employees affiliated with approved occupational and establishment funds with equivalent benefits are exempt from the general system.

Source of Funds

Insured person: None.

Employer: 1% of payroll (2% if the employer is in noncompliance with occupational safety laws).

Government: None.

Qualifying Conditions

Work injury benefits: Benefit is payable after a 1-day waiting period.

Temporary Disability Benefits

50% of earnings, plus 1.5 times the minimum daily wage for a wife and one minimum daily wage (•17.98) for each child up to age 3. Benefit is payable for 720 days after a 3-day waiting period (paid retroactively to the first day if the disability continues).

Permanent Disability Benefits

Permanent disability pension: Must be at least 50% disabled. The pension is the same as the full old-age pension (see above).

Workers' Medical Benefits

Same as for ordinary sickness (see above), except there is no cost sharing by the patient.

Survivor Benefits

Survivor pension: Same as for the survivor pension under Old Age, Disability, and Survivors, above.

Administrative Organization

Ministry of Labor and Social Security provides general supervision.

Social Insurance Institute administers the program through branch offices for most covered workers.

Numerous special occupational and establishment funds administer programs for workers exempt from the general system.

Unemployment

Regulatory Framework

First law: 1954.

Current laws: 1985, 1989, and 1990.

Type of program: Social insurance system.

Coverage

Employees in industry, commerce, and related occupations are covered. Special systems for seamen and printing workers.

Source of Funds

Insured person: 1.33% of earnings.

Employer: 2.67% of payroll.

Government: None.

Qualifying Conditions

Unemployment benefit: 125 days of contributions in the last 14 months, excluding working days in the last 2 months, or 200 days in the last 2 years, excluding working days in the last 2 months (for a first-time beneficiary, also 80 days in each of the last 2 years). Must be capable of, and available for, work and registered at an employment office. Unemployment should not be due to voluntary leaving. Under age 65 and not receiving a disability pension.

Self-employed persons are not included in the program.

Young persons' benefit: Aged 20 to 29 and never having worked.

Special benefit: Awarded in cases in which the unemployment benefit is exhausted or the person does not qualify for unemployment benefit. The insured must have 24 months of service and income below •6,380 per year.

Unemployment Benefits

40% of wages or 50% of salary.

The minimum benefit is 66 2/3% of the daily minimum wage (•9.94 per day).

Payable after a 6-day waiting period for 125 days of employment for up to 5 months, 150 days up to 6 months, 180 days up to 8 months, 220 days up to 10 months, 250 days if aged 49 or older, and 210 days for a maximum of 12 months.

A reduced rate can be paid for an additional 1 month.

Dependents' allowance: 10% of earnings for each dependent.

Young persons' benefit: Payable for 5 months at the single-person rate of •75.50, plus •5.80 for each child.

Special benefit: Thirteen minimum daily unemployment benefits, increased by 10% for each dependent member.

Special seasonal allowance: Paid to seasonal sectors of employment (including builders, tobacco workers, and actors), payable once a year and varies according to the employment of each entitled person. The person must have worked during the preceding year.

Unemployment assistance: Persons not qualifying for unemployment benefits or those who have exhausted their benefit may receive unemployment assistance providing that they have worked for 2.4 months. The annual family income must not exceed •6,380. The assistance is equivalent to 13 minimum daily unemployment benefits and is increased by 10% for each dependent member.

Administrative Organization

Ministry of Labor provides general supervision.

Manpower Employment Organization administers benefits and the employment service through local employment offices.

A tripartite board manages the Manpower Employment Organization.

Social Insurance Institute collects contributions.

Family Allowances

Regulatory Framework

First and current law: 1958.

Type of program: Employment-related system.

Coverage

Employees in industry, commerce, and related occupations, with one or more children, are covered. Employees receiving equivalent allowances from employer are exempt.

Source of Funds

Insured person: 1% of earnings.

Employer: 1% of payroll.

Government: None.

Qualifying Conditions

Family allowances: Child must be under age 18 (no limit if disabled, age 22 if a student), single, living in Greece or other EU member country. Parent must have had 50 days of employment in the preceding year for full allowances.

Family Allowance Benefits

The allowance for one child is •5.80 a month; two children, •17.40 a month; three children, •39.15 a month; four children, •47.56 a month; and for each additional child, •7.97 a month. An additional •3.62 a month for each child may be paid to widows, widowers, and soldiers.

Special benefit for three children: •2.90 per month.

Administrative Organization

Ministry of Labor provides general supervision.

Manpower Employment Organization administers allowances through local offices.

Social Insurance Institute collects contributions.

Guernsey

Exchange rate: U.S.\$1.00 equals 0.69 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1925 (old-age pensions) and 1935 (old-age and survivors).

Current laws: 1971 (social assistance), 1978 (social insurance), and 1984 (attendance allowances).

Type of program: Dual social insurance and social assistance system.

Coverage

Old-age pension: All persons over school-leaving age; optional for nonemployed under age 20, married women, and widows who are covered by husband's insurance.

Disability pension (invalidity benefit): All employed and self-employed persons; optional for married women and widows.

Disability attendance allowances: All residents. All residents covered for social assistance.

Source of Funds

Insured person: 4.5% of earnings up to a maximum earning level of £564 a week (1.8% for employed married women and widows opting out). Contributions also finance sickness, maternity, work injury, unemployment, prescription medicines, and some medical services.

Self-employed person: 8.9% of earnings; nonemployed 8.3% of annual income; both, up to a maximum annual earning level of £29,328. Contributions do not cover unemployment benefit.

Employer: 5.4% of earnings up to a maximum earning level of £564 per week. Contributions also finance sickness, maternity, work injury, unemployment, prescription medicines, and some medical services.

Government: Grant equal to 57% of total contribution receipts. The government pays all social assistance and other noncontributory benefits.

All the above contributions also finance sickness, maternity, work injury, unemployment, prescription medicines, and some medical services.

Qualifying Conditions

Old-age pension: Age 65 for men and women. A minimum of 156 contributions paid between the later of 1952 or the date of entry into insurance and age 65. The full-rate pension is calculated as the yearly average of 50 contributions paid or credited. The pension is reduced pro rata for an average of less

than 50. No pension is payable if the yearly average is less than 10. The pension is payable worldwide.

Disability pension (invalidity benefit): Incapacity for work following entitlement to sickness benefit for 6 months. A minimum of 26 contributions paid since entry to insurance. The full benefit is payable if 50 contributions are paid or credited in the relevant contribution year. The benefit is reduced pro rata for fewer than 50. No benefit is payable if there are fewer than 26 contributions.

Attendance allowance: Noncontributory. Person born in Guernsey or resident in Guernsey for 5 years. Benefit is paid after 3 months of severe disability (except if terminally ill). The maximum allowable income is £57,000 a year.

Invalid care allowance: Noncontributory. Paid to a person caring for a severely disabled person for 35 hours or more a week and earning less than £80 a week from employment. The maximum allowable income is £57,000 a year.

Survivor pension: Deceased met qualifying conditions for the old-age pension or was a pensioner at death.

Widowed parent's allowance: Payable to widows and widowers with at least one dependent child.

Widow's pension: Payable to widows over 40 without dependent children.

Death grant: A minimum of 26 contributions paid or credited between the later of 1971 and the date of entry to insurance and the date of death. A full grant award is made if 45 contributions are paid or credited in the relevant contribution year. The grant is reduced pro rata for fewer than 45 contributions. No grant is paid if there are fewer than 10 contributions.

Supplementary benefit: Noncontributory means-tested social assistance for persons over 60, or incapacitated, disabled, caring for a member of the family, a single parent.

Old-Age Benefits

Old-age pension: The full-rate benefit for the insured person is £112.50 a week.

A weekly supplement of £68.75 is payable for a dependent adult, and a weekly supplement of £9 a week is payable for each dependent child.

Death grant: Payable in the case of the death of the insured person, spouse, child, or survivor. The full grant of £353 is payable if deceased is aged 18 or older; £265 if aged 6 to 17; £177 if aged 3 to 5; and £106 if under 3 years old.

Permanent Disability Benefits

Disability pension (invalidity benefit): Full-rate benefit is £93.18 a week. A supplement of £48.90 is payable for a dependent adult and £4.65 a week is payable for each dependent child.

Attendance allowance: £63.25 a week.

Invalid care allowance: £50.75 a week.

Survivor Benefits

Widow's pension: £111.00 a week.

Survivor grant: £1,110.50.

Widowed parent's allowance: £111.00 a week plus £9.00 a week for each dependent child.

Supplementary benefit: According to need but subject to a maximum of £208.00 a week.

Administrative Organization

Guernsey Social Security Authority.

Sickness and Maternity

Regulatory Framework

First laws: 1964 (sickness), 1971 (maternity), and 1972 (medicines).

Current laws: 1971 (social assistance), 1978 (social insurance sickness and maternity), and 1990 (medicines).

Type of program: Social insurance for cash benefits. Social assistance for means-tested benefits. Universal system for specialist medical care, medical consultations, and consultation grants.

Coverage

Sickness benefit: Employed and self-employed persons with earnings of £80.00 or more per week.

Maternity allowance: Employed and self-employed persons with earnings of £80.00 or more per week.

Supplementary benefit: Persons incapable of work, single parents, and pregnant women not cohabiting.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Self-employed person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above. Pays total cost of supplementary benefit.

Qualifying Conditions

Sickness benefit: At least 26 reckonable (qualifying) contributions must be paid between the later of 1965 or the date of entry to insurance. For entitlement to full benefit, 50 contributions or credits must have been paid in the relevant contribution year. Benefits are reduced pro rata for fewer than 50 contributions or credits. No benefit is payable if there are fewer than 26 contributions or credits.

Maternity allowance: Resident and 50 reckonable (qualifying) contributions or credits, at least 26 of which are paid in the

year preceding the 13th week before the expected week of childbirth. Benefit is reduced pro rata for fewer than 50 contributions or credits. No benefit is payable if there are fewer than 26 contributions.

Maternity grant: At least 26 reckonable (qualifying) contributions paid between the later of 1971 or the date of entry to insurance and at least 26 contributions or credits in the relevant contribution year.

Sickness and Maternity Benefits

Sickness benefit: £81.06 a week, plus £43.44 for a dependent adult and £4.65 for each dependent child.

Maternity allowance: £81.06 a week, plus £4.65 for each dependent child.

Maternity grant: A lump-sum payment of £227.00.

Workers' Medical Benefits

Medical benefits: Acute hospital accommodation is provided by the government. Specialist medical services are provided by specialist group practice contracted to the government. A flat-rate fee of £2.10 is charged for medical prescriptions (no charge for persons over age 65 or persons having low income).

Medical grant: A sum of £8.00 is provided toward the cost of primary care medical consultation, and a £4.00 grant is provided toward the cost of nurse consultation.

Administrative Organization

Guernsey Social Security Authority.

States of Guernsey Board of Health administers hospital services.

Work Injury

Regulatory Framework

First law: 1925.

Current law: 1978.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Self-employed person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors contributions, above.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Industrial injury benefit: £81.06 a week, plus £43.44 for adult dependent, plus £4.65 a week for child dependent.

Permanent Disability Benefits

Industrial disablement benefit: £98.90 a week if 100% disabled. Benefit is reduced pro rata for lesser disablement. No benefit if under 20%.

See also sickness benefit under Sickness and Maternity and invalidity benefit under Old Age, Disability, and Survivors, above.

Survivor Benefits

See survivor benefits under Old Age, Disability, and Survivors, above.

Administrative Organization

Guernsey Social Security Authority.

Unemployment

Regulatory Framework

First law: 1964.

Current law: 1978.

Type of program: Social insurance system.

Coverage

Employed persons whose earnings are £80.00 per week or more, but excluding married women and widows opting to pay reduced-rate contributions.

Source of Funds

Insured person: See Old Age, Disability, and Survivors contributions, above.

Employer: See Old Age, Disability, and Survivors contributions, above.

Government: See Old Age, Disability, and Survivors contributions, above.

Qualifying Conditions

Unemployment benefit: At least 26 reckonable (qualifying) contributions paid since entry to insurance. Full benefit is paid if 50 or more contributions or credits in relevant contribution year. Benefits is reduced pro rata if fewer than 50. No benefit if fewer than 26.

Weekly registration at job center to confirm availability for work. Possible 10-week disqualification for leaving employment voluntarily, misconduct, and refusing suitable work.

Unemployment Benefits

Benefit is £81.06 a week, plus £43.44 for adult dependent, plus £4.65 for dependent child. Cash benefit is limited to 180 days. Requalification for benefit requires 13 weeks of employment for at least 20 hours a week.

Administrative Organization

Guernsey Social Security Authority.

Family Allowances

Regulatory Framework

First law: 1943.

Current law: 1950.

Type of program: Universal system.

Coverage

Residents with one child or more.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Claimant born in Guernsey or present in Guernsey for at least 52 weeks in previous 2 years. Child must be under age 16, or under 20 if in full-time education.

Family Allowance Benefits

£10.80 a week for each child.

Administrative Organization

Guernsey Social Security Authority.

Hungary

Exchange rate: U.S.\$1.00 equals 274.24 forints.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1928.

Current law: 1997, implemented 1998 (private pensions).

Type of program: Social insurance and private insurance systems.

Note: Persons who became insured before June 30, 1998, or who became insured after this date but before reaching the age of 42, can choose between the social insurance system or the mixed system of social insurance and private insurance.

Coverage

Employees, members of handicraft and agricultural cooperatives, self-employed entrepreneurs, apprentices of professional training schools, outside workers, artistic performers, lawyers, public notaries, the clergy, and recipients of unemployment benefits.

Persons not covered by compulsory insurance, including independent farmers, can acquire entitlement to pension coverage by virtue of an agreement with the pension insurance institute.

Source of Funds

Insured person (social insurance system): 8% of gross earnings; self-employed entrepreneurs, 18% of contributable earnings.

Insured person (mixed system): 2% for social insurance and 6% for a private pension fund.

Employer: 18% of payroll.

Government: Any deficit in the social insurance system.

Maximum earnings for contributions purposes: Twice average earnings.

The above contributions for the social insurance system also finance work injury benefits and disability pensions.

Qualifying Conditions

Old-age pension: Age 62 (men and women) and 20 years of service; age 60 for men born before 1938 and age 61 for those born in 1938; age 55 for women born before 1940, gradually rising to age 61 for women born in 1946.

Men who were age 60 and women who were age 55 before January 1, 1991, and who have completed 10 years of service up to that year are entitled to a full pension.

Disability pension: 67% loss of working capacity and improvement not expected within 1 year. The person must be

not working or have income that is now significantly less than it was prior to the onset of the disability.

Survivor pension: Insured was a pensioner or met the employment requirement for the disability pension at the time of death.

Old-Age Benefits

Old-age pension (social insurance): Equal to 43% of pensionable net earnings since January 1, 1988, with 15 years of coverage. The value of the pension is raised by 2% for each additional year up to 63% for 25 years; thereafter by 1% each year up to 74% for 36 years and by 1.5% for each further year of service over 36 years.

Benefit adjustment: Annual adjustment in January according to the average estimated annual change in consumer prices and in the national net average wage level.

Old-age pension (private insurance): Insured's contributions plus accrued interest. At retirement, the insured purchases an annuity; a lump-sum payment is available for 15 years of contributions.

Permanent Disability Benefits

Disability pension (social insurance): For a degree of disability of at least 67%, the pension is 51% of average net earnings since January 1, 1988, with less than 2 years of coverage; the pension is raised in steps to 63% of average net earnings for up to 25 years of coverage. Thereafter, entitlement is equal to that of the social insurance old-age pension (above). For total disability, the amount of the pension is raised by an additional 5% of average net earnings.

Constant-attendance allowance: 10% of average net earnings.

Minimum pension: According to three categories of disability, the minimum pension is 20,100 forints (Group I), 21,080 forints (Group II), or 21,960 forints (Group III).

Benefit adjustment: Annual adjustment in January according to the average estimated annual change in consumer prices and in the national net average wage level.

Disability pension (private insurance): There is no benefit provision.

Survivor Benefits

Survivor pension (social insurance): 50% of the pension of the insured, payable to a widow (widower) who at the time of the spouse's death was age 55 (age 60 for a widower), disabled, or caring for 2 children. Paid to other widows or widowers for 1 year only.

Orphan's pension (social insurance): 30% of the pension of the insured for each orphan under age 16 (age 25 if a student, no limit if disabled). For an orphan with a disabled parent, the award is 60% of the pension of the deceased insured.

Minimum orphan allowance is 85% of the minimum old-age pension.

Other eligible survivors (dependent parents): 20% of the deceased's pension.

Maximum survivor pension: 100% of pension of deceased.

Minimum survivor pension: 7,260 forints a month for a widow(er) and full orphans and 6,920 forints for orphans.

Benefit adjustment: Annual adjustment in January according to the average estimated annual change in consumer prices and in the national net average wage level.

Survivor pension (private insurance): There is no benefit provision.

Administrative Organization

Central Administration of National Pension Insurance administers benefits through its local branches.

National Health Insurance Fund collects contributions through its local branches.

Sickness and Maternity

Regulatory Framework

First law: 1891.

Current law: 1997.

Type of program: Social insurance system.

Coverage

Cash sickness benefit: Employees, members of cooperatives, apprentices of skilled labor, the self-employed, and outdoor workers.

Cash maternity benefits: All pregnant employed or self-employed women who have worked for at least 180 days in the 2 years prior to childbirth.

All resident women in Hungary are entitled to in-kind benefits.

Medical benefits: All insured persons entitled to cash sickness benefits, pensioners, unemployment beneficiaries, recipients of social assistance and allowances, beneficiaries of pensions provided by churches, regular students (if Hungarian citizens), and all dependent family members and children.

Source of Funds

Insured person: 3% of gross earnings.

Employer: 11% of payroll.

Government: Any deficit. The government reimburses the National Health Insurance Fund for the cost of the child care fee.

The maximum earnings for contribution purposes are 5,080 forints per day.

The above contributions also finance short-term work injury cash benefits and medical care for work injuries.

Qualifying Conditions

Cash sickness benefit: Currently insured, or a loss of earning capacity due to illness within 3 days after the cessation of insurance.

If the insured person has less than 1 year of continuous insurance, sickness benefit is proportional.

Maternity benefit (maternity and confinement allowance): Currently insured, or the expected date of childbirth is within 42 days after the cessation of insurance, and has 180 days of insurance during last 2 years.

Maternity benefit (child care fee): 180 days of insurance in the 2 years prior to childbirth.

Medical benefits: Provided also for beneficiaries of cash sickness and maternity benefits; supported family members of the insured person; pensioners; beneficiaries of unemployment benefits, social assistance, and allowances; beneficiaries of pensions provided by churches; regular students; and dependent children.

Sickness and Maternity Benefits

Cash sickness benefit: 60% of daily average net earnings or 70% with 2 years of continuous employment. Benefit is payable from the first day of incapacity for up to 1 year (or for the length of the continuous insurance period immediately prior to the onset of illness, if less).

The employer must pay for first 15 days. Social security pays from the 16th day onward.

Maternity and confinement allowance: 70% of daily average net earnings of the previous calendar year. In the absence of earnings, the current minimum wage is used. Benefit is payable for the period of maternity leave (4 weeks before and 20 weeks after the expected date of childbirth).

Child care fee: A maximum limit of 83,000 forints a month.

Workers' Medical Benefits

Medical benefits: Medical services are provided directly to patients through the facilities of the public health services in contractual relationship with the health insurance scheme. Benefits include preventive care; general and specialist care, including basic dental care; hospitalization; maternity care; medical rehabilitation; sanatorium care; and ambulance services.

Medicines, appliances, dental prosthetics, orthodontic services, and spa treatment are provided upon the payment of variable rates of compensation by the patient.

Life-saving medicines, and medicines for maternity and infant care are provided free of charge.

Travel expenses are covered by the health insurance scheme.

There is no limit to duration.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for insured.

Administrative Organization

National Health Insurance Fund, with county health insurance funds, administers cash sickness and maternity benefits.

Hungarian Tax Authority collects contributions.

Medical care is provided by public medical services organized and administered by the self-governing local municipalities.

Ministry of Health provides medical services through some central hospitals and institutes.

Work Injury

Regulatory Framework

First law: 1900 (agriculture) and 1907.

Current law: 1997.

Type of program: Social insurance system.

Coverage

Employees, members of cooperatives, apprentices in industrial training, artisans, the self-employed, independent farmers, artistic performers, and lawyers.

Source of Funds

Insured person: See Old Age, Disability, and Survivors and Sickness and Maternity, above.

Employer: See Old Age, Disability, and Survivors and Sickness and Maternity, above.

Government: See Old Age, Disability, and Survivors and Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: Total disability (incapacity for any paid work) or partial disability (67% loss of working capacity). No minimum qualifying period.

Work injury allowance is granted for work-connected disability of more than 15%.

Benefit is payable for only 2 years if the loss of working capacity is less than 25%.

Temporary Disability Benefits

Temporary disability benefit: 100% of average net earnings. Benefit is payable from the first day of incapacity for up to 1 year. In some cases, benefit entitlement can be extended to 2 years by Medical Experts Institute.

Permanent Disability Benefits

Permanent disability pension: See disability pension under Old Age, Disability, and Survivors, above.

Workers' Medical Benefits

Medical benefits: Same as for sickness benefit (above), but medicines and appliances are free of charge.

Survivor Benefits

Survivor pension: 50% of the pension of the insured. The pension is payable to a widow who at husband's death was age 55, disabled, or caring for two children. Otherwise, paid to other widows for 1 year only. The pension is also payable to a dependent and incapacitated widower.

Orphan's pension: 25% of the pension of insured for each orphan under age 16 (age 25 if a student); 50% of the pension of the deceased insured for an orphan with a disabled parent.

Maximum survivor pensions: 125% of the pension of deceased.

Minimum survivor pension: 7,260 forints a month for a widow(er) and full orphans and 6,920 forints for orphans.

Administrative Organization

National Health Insurance Fund administers work injury benefits.

Hungarian Tax Authority collects contributions.

National Pension Insurance Directorate administers cash benefits.

Ministry of Health administers medical benefits through the public medical services.

Unemployment

Regulatory Framework

First law: 1957.

Current law: 1991.

Type of program: Unemployment insurance.

Coverage

Wage earners and salaried employees.

Source of Funds

Insured person: 1.5% of gross earnings.

Employer: 3% of payroll.

Government: None.

Qualifying Conditions

Unemployment benefit: Insurance coverage for at least 200 days in the last 4 years. Involuntary unemployed without entitlement to an old-age or disability pension. Actively seeking employment.

Preretirement unemployment assistance: Unemployed persons can apply for an advanced pension if they are within 5 years of the pensionable age and have been receiving unemployment benefit for at least 180 days; or will be age 62 within 3 years of the termination of unemployment benefit and have 20 years of insurance coverage and no prospect of finding suitable employment.

Early pension: Unemployed with 20 years of insurance coverage.

Unemployment Benefits

Unemployment benefit: 65% of the gross average salary of the previous calendar year for a maximum of 270 calendar days.

Minimum benefit: 90% of the minimum old-age pension.

Maximum benefit: Twice the minimum old-age pension.

Preretirement unemployment assistance: Calculated in the same way as the old-age pension (social insurance), above.

Early pension: The employers pays the insured person the equivalent of the old-age pension for 1 year.

Administrative Organization

Ministry of Labor provides general supervision.

Family Allowances

Regulatory Framework

First law: 1938.

Current law: 1998.

Type of program: Universal system.

Coverage

All residents with one or more children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Family must include one or more children under age 16 (age 20 if enrolled in a primary or secondary school) or disabled.

Family Allowance Benefits

Family allowances: For the first child, 3,800 forints a month; for two children, 4,700 forints a month per child; and for three or more children, 5,400 forints a month per child.

Family allowance (single parents): For the first child, 4,500 forints a month; for two children, 5,400 forints a month per child; for three or more children, 6,300 forints a month per child

For a child who has long-term illness or is seriously disabled, 10,500 forints a month per child.

For a child in a foster home or living with foster parents, 5,400 forints a month per child.

Child care allowance: The minimum pension up to age 3.

Maternity grant: A lump sum of 150% of the minimum pension paid to the mother after the birth of a child.

Administrative Organization

Ministry of Health, Social and Family Affairs provides general supervision.

Territorial Public Finance Offices.

Ireland

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1908 (old-age assistance), 1911 (disability insurance), and 1935 (survivor insurance).

Current law: 1993 (consolidates all previous laws relating to social welfare) and subsequent amendments.

Type of program: Dual social insurance and assistance (means-tested) system.

Coverage

Employed persons aged 16 to 65 with •38 or more in weekly covered earnings.

Self-employed persons (annual earnings •3,174 or over and covered for contributory old-age and survivor benefits, adoptive benefit, and maternity benefit but not for disability).

Excludes part-time employees earning less than •38 a week, public servants who were permanent and pensionable before April 6, 1995, and casual domestic workers.

Source of Funds

Insured person: If weekly earnings are •287 or less, no contributions.

If annual earnings are •8,740 or less and weekly earnings are •356 or less, no contributions for first •127 and 4% of balance of covered weekly earnings.

If annual earnings are •38,740 or less and weekly earnings are higher than •356, 2% of first •127 and 6% of balance (but no contributions for first •127 and 4% of weekly earnings exceeding •287 for holder of means-tested medical card or recipient of specified benefits or allowances).

If annual earnings are higher than •8,740, 2% of total covered earnings.

Contributions also finance cash sickness, maternity, work injury, unemployment, and adoptive benefits.

Self-employed person: If annual income is •18,512 or less, 3% of gross income.

If annual income is greater than •18,512, 5% of gross income.

Contributions also finance cash maternity and adoptive benefits.

Employer: If weekly earnings are •356 or less, 8.5% of payroll per employee.

If weekly earnings are higher than •356, 10.75% (applying from March 1, 2002, previously 12%).

No employer ceiling for contribution purposes.

Contributions also finance cash sickness, maternity, work injury, unemployment, and adoptive benefits.

Government: Any deficit. Also, total cost of means-tested allowances.

Qualifying Conditions

Old-age contributory pension: Age 66 with social insurance coverage beginning before age 56. To qualify for maximum pension, must have 156 weeks of paid contributions, with annual average of at least 48 weeks of paid or credited contributions (from April 5, 1979, to end of the last tax year) before reaching age 66; for minimum pension, with annual average of at least 10 weeks paid or credited contributions and a total of 260 weeks of paid contributions overall (from 1953 or the date of entry into insurable employment, if later, to the end of the last tax year) before reaching age 66. No retirement test. (As of April 2002, the requirement to have 260 weeks of paid contributions will apply to all rates.)

There is also a special provision as of May 5, 2000, for persons who were contributors prior to 1953 and who have at least 260 weeks of paid contributions.

Years since 1994 spent caring for children under age 12 (or disabled of any age) are disregarded when calculating the annual contribution.

Retirement pension: Age 65. Contribution conditions are same as under old-age contributory pension (but to receive the minimum pension insured needs at least 24 weeks of paid or credited contributions rather than 10). Must be retired from employment or self-employment unless earning less than •38 per week or •3,174 per year for self-employed.

Carer's benefit: Age 16 or over and under age 65/66 and having left the workforce to care for a person(s) in need of full-time care and attention. Carer not employed or self-employed for more than 10 hours per week outside the home. Must have 156 paid contributions with 39 paid in the relevant tax year or 39 paid in 12 months before applying or 26 paid in the relevant tax year with 26 paid in the relevant tax year prior to that.

Credited contributions that count toward the qualifying conditions for certain benefits are awarded if an individual is receiving cash benefits for sickness, maternity, permanent disability, unemployment, work injury, or retirement pension.

Contributory benefits payable abroad.

Old-age noncontributory pension (means-tested): Residents with limited means, aged 66 or older.

Preretirement allowance (means-tested): Residents with limited means and aged 55 to 64 or under age 65 and having opted to retire from the labor force.

Carer's allowance (means-tested): Residents with limited means, aged 18 or older, living with and caring for people requiring full-time care and attention. Carer may work for up to 10 hours per week but may not be receiving any other social welfare benefits.

Disability pension (invalidity pension): Permanent incapacity for work payable after 1 year's ordinary sickness benefit (or less than 1 year if severe incapacity). Must have 260 weeks of paid contributions with 48 weeks paid or credited in last tax year.

Blind person's pension (means-tested): Residents with low vision and of limited means, aged 18 or older.

Disability allowance (means-tested): Residents with limited means, aged 16 to 66, physically or mentally disabled, and substantially handicapped in undertaking suitable work.

Widow's/widower's contributory pension: 156 weeks of contributions paid by deceased or spouse and meeting either of the following conditions:

1. Have an annual average of 39 weeks paid or credited in either last 3 or last 5 fiscal years prior to date spouse died or attained age 66; or
2. To receive the minimum pension, must have yearly average of at least 24 weeks of paid or credited contributions since entry into employment that covers social insurance; for maximum pension must have yearly average of 48 weeks of paid or credited contributions.

Orphan's contributory allowance: Both parents deceased or one parent deceased or unknown or has abandoned/refused/failed to provide for the child and the other parent is unknown or has abandoned/refused/failed to provide for the child, plus 26 weeks of contributions paid by a parent or step-parent.

Bereavement grant: Payable on death of an insured person, of the spouse or surviving spouse of an insured person, or of the child (under age 18) of insured person. The deceased, surviving spouse, or parent had 26 weeks of paid contributions since starting work or since October 1979 (whichever is later), with 39 contribution weeks paid or credited in last year; or with an annual average of 26 weeks since starting work.

Widowed parent's grant: Payable to a widow or widower who is entitled to certain benefits with at least one qualified child and who was widowed on or after December 1, 1999.

Widow's/widower's noncontributory pension (means-tested): Resident with limited means, not cohabiting.

Orphan's noncontributory pension (means-tested): Resident with limited means, plus conditions same as orphan's contributory allowance, above (excluding contribution condition).

Old-Age Benefits

Old-age contributory pension: Maximum is •147.30 a week; pension is reduced if annual average number of contributions is less than 48 weeks.

Dependent supplement: Maximum is •98.10 a week for adult dependent and •113.80 if aged 66 or older (these rates are reduced if the pensioner is receiving less than the maximum personal rate) plus •19.30 a week for each dependent child (or half rate at •9.65 if no eligible adult dependent).

Retirement pension: Same as under old-age contributory pension.

Carer's benefit: •132.70 a week plus •16.80 for a child dependent or •8.40 for carers living with their spouse or partner or •199.10 if caring for more than one person.

Old-age noncontributory pension (means-tested): Up to •134.00 a week depending on means test, plus up to •88.50 for adult dependent and •16.80 for each child dependent (or half rate at •8.40 if no eligible adult dependent).

Preretirement allowance (means-tested): Up to •118.80 a week depending on means test, plus up to •78.80 for adult dependent and •16.80 for each child dependent (or half rate at •8.40 if no eligible adult dependent).

Special allowances: For single pensioner aged 66 or older and living alone, payable at •7.70 a week; for pensioner aged 80 or older, payable at •6.40 a week.

Carer's allowance (means-tested): Up to •122.60 a week (or •187.80 a week if aged 66 or over). An additional 50% is payable if carer is caring for two persons; •16.80 is payable for each child dependent or •8.40 if the carer is living with his or her spouse or partner.

Permanent Disability Benefits

Disability pension (invalidity pension): •123.30 a week (•147.30 a week if aged 65 or older).

Dependent supplement: •88.00 a week for adult dependent (•105.40 if aged 66 or older), plus •19.30 a week for each dependent child under age 18 (or half rate at •9.70 if no eligible adult dependent).

Blind person's pension (means-tested): Up to •118.80 a week (•134.00 if aged 66 or older), plus •78.80 a week for dependent adult (•88.50 if aged 66 or older).

Special allowances: Payable at •7.70 a week for single pensioner aged 66 or older living alone and at •6.40 a week for pensioner aged 80 or older.

Disability allowance (means-tested): Up to •118.80 a week, plus •78.20 a week for dependent adult and •16.80 for each dependent child (or half rate at •8.40 if no eligible adult dependent).

Survivor Benefits

Widow's/widower's contributory pension: Up to •123.30 a week (•144.80 if aged 66 or older). Pension is reduced if worker's average annual number of contributions is less than 48 weeks but more than 24.

Dependent supplement: •21.60 for each dependent child.

Widowed parents who do not qualify for the contributory pension may be entitled to the one-parent family payment (see Family Allowances, below).

Orphan's contributory allowance: •91.00 a week per orphan.

Bereavement grant: Lump sum of up to •635.00.

Widowed parent's grant: One-time payment of •2,500.00

Widow's/widower's noncontributory pension (means-tested): Up to •118.80 a week (•134.00 if aged 66 or older).

Special allowances: Payable at •7.70 a week for single pensioner aged 66 or older and at •6.40 a week for pensioner aged 80 or older.

Orphan's noncontributory pension (means-tested): Up to •91.00 a week depending on means test.

Administrative Organization

Department of Social, Community, and Family Affairs administers the program.

Revenue Commissioners collect contributions for majority of insured.

Sickness and Maternity

Regulatory Framework

First law: 1911.

Current law: 1993 (consolidates all previous laws and expands maternity program) and subsequent amendments.

Type of program: Dual social insurance (cash benefits) and universal (medical care) systems.

Coverage

Cash benefits: Employees under age 66. Excludes part-time employees earning less than •38 per week, self-employed (covered for maternity only), public servants who were permanent and eligible for pension before April 6, 1995, and casual domestic workers.

Medical services: All residents.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: Cash sickness and maternity benefits, see Old-age, Disability, and Survivors, above. Medical care, total cost for low-income residents; partial cost for remainder of population.

Qualifying Conditions

Cash sickness benefit (disability benefit): Under age 66 and 39 weeks of paid contributions with 39 weeks paid or credited in last year (including 13 paid contribution weeks, unless recipient of long-term unemployment assistance or preretirement allowance immediately before claiming benefits); 260 contribution weeks required for benefit payment continued over 1 year.

Cash maternity benefit: In covered employment at least 14 weeks before expected date of birth and 39 weeks of paid

contributions in the 12-month period immediately before maternity leave, or a total of 39 weeks of paid contributions with 39 weeks paid or credited in last fiscal year (self-employed, 52 weeks paid contributions in either of the last two fiscal years). A claimant may also qualify if she has 26 weeks of paid contributions in the last fiscal year and 26 paid in the prior year.

Health and safety benefit: Available to pregnant workers, workers who have recently given birth and are breastfeeding, or who are unable to continue working because of an unavoidable risk to their health and safety arising at the workplace, and who satisfy the relevant social insurance contributions.

Night workers are also entitled to this payment for the duration of pregnancy and for a period following childbirth in which no alternative (daytime) work is available.

Medical benefits: Full eligibility for medical-card holders (that is, residents with low income); limited eligibility for those with moderate and high income.

Sickness and Maternity Benefits

Sickness benefit (disability benefit): Up to •118.80 a week, depending on weekly income. Payable after a 3-day waiting period for up to 52 weeks, or longer if contribution weeks total 260 or more.

Benefit is reduced if less than 48 weeks of paid or credited contributions have been made in last year.

Dependent supplement: Up to •78.80 for qualified adult; •16.80 for each child dependent (half rate at •8.40 if no eligible adult dependent).

Benefits offset by half, and with no supplement for dependent child, if also receiving one-parent family payment (formerly lone parent's allowance) and other specified benefits.

Maternity benefit: Employed women, 70% of weekly earnings; maximum benefit is •232.40 a week (minimum is •135.60). Payable for 18 weeks, including at least 4 weeks (up to 10 weeks) before expected date of birth.

Health and safety benefit: Up to •118.80 a week, depending on the level of earnings, payable (for first 21 days by employer and by Department of Social, Community, and Family Affairs thereafter) until entitlement for maternity benefit, or 14 weeks following birth if mother is involved in night work and 26 weeks following childbirth if breastfeeding. An adult dependent allowance of •78.80 a week; •16.80 for each child dependent (half rate at •8.40 if no eligible adult dependent).

Workers' Medical Benefits

Full range of services provided free in public clinics and hospital wards to medical-card holders (means-tested) or with partial cost-sharing for remainder of population.

Services include outpatient and inpatient care; specialist and laboratory services; maternity and infant care; and optical,

dental, and hearing treatment. Free (medical-card holders) or partial cost-sharing (without medical card) for prescribed drugs.

Patients without medical card receive outpatient services free of charge; a fee of •31.70 applies only to first visit for accident and emergency not referred by general practitioner. Inpatient care is •33.00 a day (maximum of •330.00 in 12 months).

Dependents' Medical Benefits

Same as for insured, above.

Administrative Organization

Cash benefits: Department of Social, Community, and Family Affairs.

Medical services: Department of Health administers services through eight regional health boards.

Regional health boards provide services in own institutions, clinics, and dispensaries, or elsewhere by arrangement.

Optical, dental, and hearing treatment services provided with cost-sharing by private practitioners on behalf of Department of Social, Community, and Family Affairs.

Work Injury

Regulatory Framework

First law: 1897.

Current law: 1993 (consolidates all previous laws relating to social welfare) and subsequent amendments.

Type of program: Social insurance system.

Coverage

Employed persons.

Excludes self-employed, domestic workers, members of security forces, and defense forces.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: Any deficit for private-sector employees; total cost for public employees.

Qualifying Conditions

Work injury benefit: Injury was sustained in the course of and arising out of covered employment: no minimum qualifying period.

Temporary Disability Benefits

Injury benefit: •118.80 a week, payable after a 3-day waiting period up to 26 weeks starting from onset of accident or disease.

Disability benefit (see cash sickness benefit under Sickness and Maternity, above) payable thereafter.

Dependent supplement: •78.80 a week for adult dependent; •16.80 a week for each dependent child (half rate of •8.40 if no eligible adult dependent).

Permanent Disability Benefits

Disablement benefit: •148.90 a week if over 90% disabled.

Pension is prorated if disability is 20% to 90%; if less than 20% disabled, lump sum is payable up to •10,420. Reduced amount is paid depending on degree of assessed disability.

Unemployability supplement: •118.80 a week is paid if not eligible for disability benefit (see cash sickness benefits under Sickness and Maternity, above) and permanently incapable of work.

Dependent supplement: •78.80 a week for adult dependent; •16.80 a week for each dependent child (half rate at •8.40 if no eligible adult dependent).

Constant-attendance supplement: Up to •132.70 a week.

Workers' Medical Benefits

Same as general medical benefits under Sickness and Maternity, above, plus all necessary medical care and transportation not covered under general medical benefits, above.

Survivor Benefits

Survivor pension: •146.60 a week paid to widow or dependent disabled widower and •21.60 for each dependent child.

Special allowance for survivor living alone (aged 66 or older) is •7.70 a week; aged 80 or older, •6.40 a week.

Orphan's pension: •93.10 a week for each child.

Dependent parents: If insured person was single, •146.60 a week to first parent; •70.90 a week to other parent. If insured person was married, •70.90 a week to each parent.

Funeral grant: •635.00 lump sum.

Administrative Organization

Department of Social, Community, and Family Affairs administers cash benefits.

Department of Health administers medical services through eight regional health boards.

Unemployment

Regulatory Framework

First law: 1911.

Current law: 1993 (consolidates all previous laws relating to social welfare) and subsequent amendments.

Type of program: Dual social insurance and assistance (means-tested) system.

Coverage

Employees under age 66.

Excludes certain part-time employees, self-employed persons, public servants who were permanent and pensionable before April 6, 1995, and casual domestic workers.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above. Additional 0.25% of covered payroll for apprenticeship training if employer is in construction, printing and paper, or motor and engineering (mechanical and electrical but not electronic) sectors.

Earnings ceiling for contribution purposes is •38,740.

Government: Any deficit. Also, total cost of means-tested assistance.

Qualifying Conditions

Unemployment benefit: Aged 16 to 65, unemployed for at least 3 days in 6 consecutive days, and 39 weeks of paid contributions with 39 weeks paid or credited in last tax year, or at least 26 contributions paid in each of the last 2 complete contribution years before the beginning of the benefit year for which benefit is claimed. Applicant must be capable of and available for work and registered at Social Welfare Local Office.

Unemployment assistance (means-tested): Resident with limited means, aged 18 to 65, unemployed for at least 3 days in 6 consecutive days, and not eligible for unemployment benefit. Applicant must be capable of and available for work and registered at Social Welfare Local Office.

Unemployment must not be due to voluntary leaving, misconduct, refusal of a suitable job offer (disqualification for up to 9 weeks for any offense), or a trade union dispute (disqualification for duration of dispute).

Unemployment Benefits

Unemployment benefit: Maximum is •118.80 a week payable for up to 15 months (156 days if under age 18 or 156 weeks if aged 65 or older).

Dependent supplement: •78.80 a week for adult dependent; •16.80 a week for dependent children (half rate at •8.40 if no eligible adult dependent).

Unemployment assistance (means-tested): Up to •118.80 a week.

Dependent supplement: Same as under unemployment benefit, above.

Administrative Organization

Department of Social, Community, and Family Affairs administers program through its local offices.

Family Allowances

Regulatory Framework

First laws: 1944 (child benefit), 1984 (family income support), 1990 (lone parent's allowance), and 1996 (one-parent family payment).

Current law: 1993 (consolidates all previous laws relating to social welfare) and subsequent amendments.

Type of program: Dual universal and social assistance system.

Coverage

Residents with one or more children.

Source of Funds

Insured person: None, except contribution for adoptive benefit is included in Old Age, Disability, and Survivors contribution, above.

Employer: None, except contribution for adoptive benefit is included in Old Age, Disability, and Survivors contribution, above.

Government: Total cost except for adoptive benefit, as above.

Qualifying Conditions

Child benefit: Child under age 16 (under 19 if student or disabled).

One-parent family payment (means- and earnings-tested): Single parent of at least one dependent child with limited means, not cohabiting, and earning •15,326 or less per year.

Widowed parent's grant: Payable on the death of a spouse to a person widowed on or after December 1, 1999, who is entitled to one-parent family payment.

Adoptive benefit: 39 weeks of paid contributions in the 12-month period immediately before placement date of adoptive child, or a total of 39 weeks of paid contributions with 39 weeks paid or credited in last fiscal year (self-employed, 52 weeks paid contribution in either of the last 2 fiscal years).

Family income supplement (income-tested): Parents of at least one child under age 18 (or aged 18 to 22 if in full-time education), in full-time employment (at least 19 hours a week or 38 hours a fortnight), and an average weekly joint income below •362.00 for one child, •388.00 for two children (income threshold increment is •25 each for the 3rd and 4th child, •32.00 for the 5th child, •26.00 for the 6th child, •21.00 for the 7th child, and •22.00 for the 8th child and all subsequent children).

Payable for 52 weeks while employed.

Not affected by changes in family income or short periods of illness.

Family Allowance Benefits

Child benefit: •117.60 a month for 1st and 2nd child; •147.30 a month for 3rd and each additional child. For twins, child benefit is payable at one and a half times the monthly rate for each child. Benefit is doubled for each of triplets or more children.

Multiple birth grant: •635 per child on birth of twins, triplets, or more.

One-parent family payment (means- and earnings-tested): Up to •118.80 a week (•134.00 if aged 66 or older).

Dependent supplement: •19.30 for each child dependent.

Special allowance: For pensioner aged 80 and older at •6.40 a week.

Widowed parent's grant: One-time payment of •2,500.00.

Adoptive benefit: 70% of weekly earnings payable for 10 weeks; maximum benefit is •232.40 a week (minimum is •135.60).

Family income supplement (income-tested): 60% of difference between family income and applicable income threshold, depending on number of children; minimum is •13 a week. Payable for 52 weeks while parent(s) in employment.

Administrative Organization

Department of Social, Community, and Family Affairs administers allowances. Payments are made at post offices on behalf of the department.

Isle of Man

Exchange rate: U.S.\$1.00 equals 0.69 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1948.

Current laws: 1992 (consolidated legislation) and 1995 (pensions).

Type of program: Dual social insurance and social assistance system.

Coverage

Basic state retirement pension and State Earnings-Related Pension Scheme (SERPS): Mandatory for employed persons above employees' earnings threshold (£87 per week). Employer or employee may contract out of SERPS according to specified conditions.

Basic state retirement pension (flat-rate) only: Mandatory for self-employed persons with net annual income of £3,995 or more; or voluntary contributions paid by nonemployed persons, employed persons earning below £72 per week, and self-employed persons with net annual income below £3,995.

Source of Funds

Insured person: Employees pay 10% of weekly earnings between £87 and £575 (certain married women and widows pay only 3.85%); if contracted out of SERPS, 8.4%.

Self-employed person: Flat rate of £2 per week, plus 7% of net income between £4,535 and £29,900 per year. Self-employed contributions cover all but unemployment benefits and SERPS.

Voluntary contributor: Flat rate of £6.75 per week. Contributions cover only flat-rate basic state retirement pension and widows' benefits.

A percentage of contributions are allocated to Health Services Division of Department of Health and Social Security to assist with medical costs, the rest of which are met by the government.

Employer: 11.9% of employee's weekly earnings over £87. If contracted out of SERPS, between 8.9% and 11.3% of weekly earnings over £87, depending on type of contracted-out scheme.

Government: Total cost of means-tested allowances and other noncontributory benefits, and most of the expense of health care, through Health Services Division.

Qualifying Conditions

Old-age pensions: Men age 65 and women age 60 (will rise gradually to age 65 between 2010 and 2020).

Basic state retirement pension (flat rate): Full pension allowance, contributions for approximately 90% of years in working life. Reduced coverage results in a proportionately reduced pension. For years before April 1975, 50 weeks of contributions. For tax years April 1975 to April 1978, contributions based on earnings of at least 50 times the lower earnings level. Since April 1978, contributions based on 52 times the lower earnings level. If contributions cover less than 25% of years in working life, basic state retirement pension is not payable.

SERPS: Employee's contributions on earnings between lower and upper earnings limit in any tax year from 1978.

Old person's pension (noncontributory retirement pension): Aged 80 and ineligible for contributory pension of £43.40 a week. Ordinarily resident in Isle of Man, and resident in Isle of Man or UK for 10 years in any consecutive 20-year period after age 60.

Retirement pension premium: Over age 75, ordinarily resident in Isle of Man and qualifies for or receives retirement pension. At least 10 years of contributions.

Pension supplement: Over age 45, ordinarily resident in Isle of Man, at least 10 years of contributions, and entitled to one of the following: retirement pension; the basic pension in a widowed mother's allowance, widowed parent's allowance, or a widow's pension; or long-term incapacity benefit.

Long-term incapacity benefit: Men (under age 65) and women (under age 60) unable to work due to illness or disability. Contributions paid on earnings of at least 25 times the lower earnings level in any 1 tax year (April to March), plus contributions paid or credited on earnings of at least 50 times the weekly lower earnings level in each of 2 complete tax years before the start of benefit year (January to December) in which claim is made. Payable after 52 weeks of disability (as determined by a medical test), or after 28 weeks if terminally ill or receiving disability living allowance.

An age-related supplement is provided if disability begins before age 45 and insured is ordinarily resident in the Isle of Man.

Disability living allowance (noncontributory, no means test): Disability begins before age 65, payable after 3 months of disability. Present in Isle of Man at time of claim and ordinarily resident. Present in Isle of Man or the UK for 6 out of 12 preceding months. Special rules for terminally ill with a life expectancy of 6 months or less.

Attendance allowance (noncontributory, no means test): Disability begins after age 65 and person needs a high level of care; usually payable after 6 months of disability. Two rates depending on care needs. Must be present in Isle of Man at time of claim and be ordinarily resident and present in Isle of Man or the UK for 6 out of 12 preceding months. Special rules for terminally ill with a life expectancy of 6 months or less.

Disability working allowance (noncontributory, means-tested): Employment for at least 16 hours per week, with an illness or disability that creates a disadvantage in securing employment. Savings in excess of £10,000 may reduce benefit

payable. Receiving a qualifying benefit (such as disability living allowance or attendance allowance). Insured or partner must have been born in Isle of Man, qualify as an Isle of Man worker, or resident in Isle of Man for at least 6 months.

Invalid care allowance (noncontributory, earnings-tested):

Payable to insured who earns less than £72 per week, after allowable expenses, and who forgoes full-time employment to care for a severely disabled person (who receives certain qualifying benefits) for 35 hours or more each week.

Survivor pension: Deceased was a pensioner or met requirements for old-age pension at death; payable to widow.

Widowed parent's allowance: For widows or widowers with at least one dependent child under age 19 for whom they receive child benefit. Dependent on deceased's National Insurance contributions. Same as basic state pension. Reduced coverage results in a proportionately reduced allowance.

Bereavement allowance: Over age 45 at spouse's death or at cessation of widowed parent's allowance. Dependent on deceased's National Insurance contributions. Same as basic state pension. Reduced coverage results in proportionately reduced pension.

Bereavement payment: Lump sum for widows and widowers under age 60 or whose spouses were not receiving retirement pension at death. Dependent on deceased's National Insurance contributions.

Guardian's allowance: Raising an orphan or, in very limited circumstances, a child with one surviving parent. At least one of the child's deceased parents was born in Isle of Man or spent 52 weeks of any 2-year period after age 16 in Isle of Man.

Payment for funeral expenses (tax-free, noncontributory):

To assist with funeral expenses. Payable if deceased was ordinarily resident in Isle of Man. Additional low-income support if receiving income support, family income supplement, disability working allowance, or income-based jobseeker's allowance and has less than £1,000 savings.

Income support (noncontributory, means-tested social assistance benefit): Available to those with income below certain levels. Payable to unemployed persons not required to seek employment, such as elderly, disabled, or those caring for children. Assistance can be given with housing costs, and single payments can be made to cover urgent needs. Savings over £10,000 may reduce benefit payable. Not payable to persons whose savings exceed £15,000 or who are working more than 16 hours per week.

Old-Age Benefits

Basic state retirement pension (flat-rate): £72.50 a week, plus £43.40 a week for each dependent adult, and £11.35 a week for each dependent child. An additional £2 a week payable to those over age 80.

SERPS: For those reaching pensionable age before April 6, 2000, SERPS benefit is based on average indexed surplus earnings. Lower accrual rate for those reaching pensionable age in April 2000 or thereafter. Maximum is £131.35 a week.

Deferred retirement, 1/7% of pension for each week of delayed retirement between ages 65 and 70 (men) and ages 60 and 65 (women). Minimum deferment is 7 weeks.

Old person's pension: £43.40 a week minus any retirement pension.

Retirement pension premium: £11.00 a week minus amount of any age benefit and SERPS received.

Pension supplement: Weekly rate equal to 50% of basic retirement pension. Reduced coverage results in proportionately reduced supplement.

Permanent Disability Benefits

Long-term incapacity benefit: Payable from 53rd week of incapacity (unless terminally ill) following payment of short-term incapacity benefit; £69.75 a week plus £43.40 a week for each dependent adult and £11.35 a week for each dependent child. If disability began before age 45, additional benefit of £7.35 or £14.65 a week.

Severe disablement allowance: £42.15 a week plus between £4.65 and £14.65, depending on age at disability onset; £25.00 a week for each dependent adult and £11.35 a week for each dependent child.

Note: Severe disablement allowance was discontinued for new cases as of April 1, 2001. All persons incapacitated from that date were required to claim incapacity benefit.

Disability living allowance: Care component is between £14.65 and £55.30 a week; mobility component is £14.65 or £38.65 a week. Both components vary with degree and nature of disability.

Attendance allowance: £37.00 or £55.30 a week, according to needs.

Disability working allowance: Prescribed level of income appropriate to size and circumstances of family, including amount for housing costs. Award of £0.70 for every £1.00 by which actual income falls short of prescribed amount.

Invalid care allowance: £41.75 a week plus dependency supplements if appropriate.

Survivor Benefits

Widowed parent's allowance: £72.50 a week plus £11.35 for each dependent child.

Bereavement allowance: Standard rate £72.50 a week. Varies according to age when became widowed.

Bereavement payment: Lump sum of £2,000.

Guardian's allowance: £11.35 a week for each child.

Universal funeral payment: If death occurs in Isle of Man, £185; if death occurs outside island and funeral is to take place within island, £300. Further help for those with low income varies with need; payable directly to funeral director.

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division, collects National Insurance payments and administers and distributes pensions and benefits.

Sickness and Maternity

Regulatory Framework

First law: 1951

Current laws: 1951 (national health service), 1992 (consolidated legislation), 1994 (incapacity benefit), and 1999 (welfare reform and pensions).

Type of program: Dual social insurance and social assistance system for cash benefits and universal system for medical care.

Coverage

Short-term incapacity benefit: Available to all those who satisfy certain contribution conditions, whether or not employed.

Maternity allowance: All employed women and self-employed women who satisfy certain contribution conditions or who earn more than £30 a week.

Payment for maternity expenses: Expectant mothers receiving certain income-related benefits.

Medical care: All residents.

Source of Funds

Insured person: Incapacity benefit and maternity allowance, see Old Age, Disability, and Survivors, above.

Employer: Incapacity benefit and maternity allowance, see Old Age, Disability, and Survivors, above.

Government: Most of the medical care and total cost of means-tested allowances.

Qualifying Conditions

Short-term incapacity benefit: At least 4 consecutive days of sickness within a period of incapacity for work. Contributions paid on earnings of at least 25 times weekly lower earnings level in any 1 tax year (April to March), plus contributions paid or credited on earnings of at least 50 times weekly lower earnings level in each of 2 complete tax years before start of benefit year (January to December) in which claim is made.

Payable to employees, self-employed persons, and unemployed under age 65 (men) or 60 (women).

Maternity allowance (contributory, not income-related): Expectant mothers who have worked and paid National Insurance contributions as employee or self-employed earner for 13 out of 66 weeks before expected week of birth. Mothers who do not fulfill contribution conditions for maternity allowance may qualify for short-term incapacity benefit for part

of duration of confinement. As of April 2000, coverage was extended to all women earning at least £30 a week.

Payment for maternity expenses: Expectant mothers over age 16 whose pregnancy lasts to 25th week and who is receiving income support, income-based jobseeker's allowance, family income supplement, or disability working allowance. Savings over £1,000 will be offset against payment.

Medical benefits: All residents.

Income support (noncontributory, means-tested social assistance): Payable depending on income and circumstances. Available to those with income below certain levels. Payable to unemployed persons not required to seek employment, such as elderly, disabled, or those caring for children. Assistance can be given with housing costs, and single payments can be made to cover urgent needs. Savings over £10,000 may reduce benefit payable. Not payable to persons whose savings exceed £15,000 or who are working more than 16 hours per week.

Sickness and Maternity Benefits

Short-term incapacity benefit: Payable for first 28 weeks at £52.60 a week plus £32.55 a week for dependent adult; from 29th to 52nd week, £62.20 a week plus £32.55 a week for dependent adult. Benefit is £11.35 a week for each dependent child for entire 52 weeks. Payable after 3-day waiting period.

Maternity allowance: Payable at two rates: standard rate (£62.20 a week) or a variable rate of 90% of average earnings or of the standard rate, whichever is lower, plus £32.55 a week for dependent adult.

Payment for maternity expenses: £200 minus the amount of any savings over £1,000.

Workers' Medical Benefits

Medical services provided by doctors and dentists under contract with and paid directly by Health Services Division of Department of Health and Social Security. Includes general practitioner care, specialist services, hospitalization, maternity care, dental care, medicines, appliances, home nursing, and family planning. Patients pay £2.40 for each prescription and a percentage of dental work subject to a £150 maximum. Patients pay 55% for routine work and 70% for specialist dental treatment. Exemption from prescription and dental charges available to those receiving income support or family income supplement and their adult dependents, children under age 6, students under age 19, nursing mothers, and people over age 60.

Dependents' Medical Benefits

Same as Workers' Medical Benefits, above.

Administrative Organization

Isle of Man Department Health and Social Security, Social Security Division, administers and distributes cash benefits.

Health Services Division administers and provides medical services.

Work Injury

Regulatory Framework

First law: 1948.

Current law: 1992 (consolidated legislation).

Type of program: Social insurance system.

Coverage

Employed persons, excluding the self-employed.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Work injury (industrial injuries disablement benefit): No minimum qualifying period. Not payable to those whose accident was suffered or whose disease was contracted while self-employed or a member of armed forces of the Crown. Must be at least 14% disabled (determined by medical exam).

Temporary Disability Benefits

Short-term incapacity benefit: Available for first 52 weeks. If disability continues, long-term incapacity benefit is paid.

Income support (noncontributory, means-tested social assistance): Available to those with income below certain levels. Payable to unemployed persons not required to seek employment, such as elderly, disabled, or those caring for children. Assistance can be given with housing costs, and single payments can be made to cover urgent needs. Savings over £10,000 may reduce benefit payable. Not payable to persons whose savings exceed £15,000 or who are working more than 16 hours per week.

Permanent Disability Benefits

Industrial injuries disablement benefit: 100% disabled, up to £112.90 a week. Payable from 15th week after accident or onset of disease.

Partial disability: According to degree of disability, from £22.58 a week for 14% disablement to £101.61 a week for 90%.

Workers' Medical Benefits

Provided by Health Services Division of Department of Health and Social Security.

Survivor Benefits

See survivor benefits under Old Age, Disability, and Survivors, above.

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division, collects National Insurance payments and distributes benefits.

Health Services Division administers and provides health care.

Unemployment

Regulatory Framework

First law: 1948.

Current laws: 1995 (jobseekers).

Type of program: Dual social insurance and social assistance system.

Coverage

Employed persons whose earnings are £72 a week or more. Excludes self-employed persons and certain married women and widows who pay reduced contributions. However, self-employed persons may qualify for assistance under the social assistance part of program.

Source of Funds

Insured person: Contributions for jobseeker's allowance are included in the contributions noted under Old Age, Disability, and Survivors. Self-employed contributions do not qualify for unemployment benefits.

Employer: Contributions for jobseeker's allowance are included in the contributions noted under Old Age, Disability, and Survivors.

Government: Total cost of income-tested allowances.

Qualifying Conditions

Jobseeker's allowance (contribution-based): Over age 18, involuntarily unemployed, or working fewer than 16 hours per week. Persons aged 16 or 17 may qualify in restricted circumstances. Contributions paid on earnings of at least 25 times the lower earnings level in 1 of the last 2 complete tax years (April to March) before start of benefit year (January to December) in which claim is made. Paid or credited contributions on earnings of at least 50 times lower earnings level in both relevant tax years. Registered as unemployed; capable of and actively seeking employment; have a current Jobseeker's Agreement; earning less than prescribed amount; and physically present in Isle of Man. Adjudication Officers handle questions relating to availability, unemployment due to misconduct, refusal of employment, or other disputes relating to the Jobseeker's Agreement.

Jobseeker's enhanced allowance: Additional weekly payment for those entitled to jobseeker's allowance. Where period of unemployment is preceded by 2 continuous years of employment within Isle of Man, may be paid for up to 52 weeks, despite 26-week limit on jobseeker's allowance.

Jobseeker's allowance (income-based): Payable to those not entitled to contribution-based jobseeker's allowance or for whom it is insufficient. Income must not exceed a prescribed amount, and savings in excess of £10,000 may reduce benefit payable. Not payable if savings exceed £15,000. Adjudication Officers handle questions relating to availability, unemployment due to misconduct, refusal of employment, or other disputes relating to Jobseeker's Agreement. Registered as unemployed; capable of and actively seeking employment; have a current Jobseeker's Agreement; earning less than prescribed amount; and physically present in Isle of Man.

Back-to-work bonus: A lump-sum payment to those under age 60 with part-time earnings while receiving income support or jobseeker's allowance when they begin employment of 16 hours a week or more.

Unemployment Benefits

Jobseeker's allowance (contribution-based): Payable for up to 6 months after 3-day waiting period. Allowance is £31.95 a week if under age 18; £42.00 a week if under age 25, and £53.05 a week if aged 25 or older.

Jobseeker's enhanced allowance: Payable for up to 12 months. Allowance is £42.00 a week for those between ages 18 and 25; £53.05 a week for those aged 25 or older.

Jobseeker's allowance (income-based): Varies depending on age and household income and composition. For example, a person aged 18 who lives with parents may receive £65.45 a week plus a contribution toward housing costs: a married man with two teenage children may receive £174.15 a week plus housing costs.

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division, collects National Insurance payments and distributes benefits.

Family Allowances

Regulatory Framework

First law: 1951.

Current law: 1992 (consolidated legislation).

Type of program: Universal (Child Benefit) and social assistance scheme (Family Income Supplement).

Coverage

Residents with one or more children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Child benefit (noncontributory, universal benefit): Payable to parents of children under age 16 (or students under age 19) who have been in Isle of Man for at least 182 days in preceding 52 weeks.

Family income supplement (income-tested): Payable to parents, or childless married couples, working more than 16 hours a week with a low income. Less than £15,000 in savings. Residential qualification.

Child maintenance bonus: Parents who are receiving income support or income-based jobseeker's allowance, care for dependent child for whom child maintenance is received, and work at least 16 hours a week.

Family Allowance Benefits

Child benefit: £17.55 a week for children under age 16 and £25.80 a week for a schoolchild aged 16 or older.

Family income supplement: Amount depends on income, partner's income, and number of children and their ages. Award of £0.70 for every £1.00 that income falls short of prescribed amount. Certain earnings may be disregarded when calculating actual family income.

Child maintenance bonus: Up to £5 a week up to a maximum of £1,000. Lump sum is paid when recipient works for at least 16 hours a week.

Administrative Organization

Isle of Man Department of Health and Social Security, Social Security Division, collects National Insurance payments and distributes benefits.

Italy

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1919.

Current laws: 1952, 1965, 1968, 1974, 1975, 1978, 1980, 1981, 1984, 1992, 1995, and 1997.

Type of program: Social insurance system.

Coverage

Employed persons (including domestic employees).

Special systems for public-sector workers and the self-employed.

Source of Funds

Insured person: 8.89% of earnings.

Employer: 23.81% of payroll. In addition, employers in certain industries pay a special contribution. Employers in certain economically distressed areas are relieved of part of the contribution.

Government: Full cost of income-tested allowances and any overall deficit.

Minimum earnings for contribution purposes are •152.94 a week for workers in industry or, if higher, the minimum wage.

The minimum wage is established by sector and by category through collective bargaining.

No maximum earnings for contribution or benefit purposes except for the newly insured. The ceiling for newly insured persons entering the system after January 1, 1996, was •76,442.90 per year in 2001.

Qualifying Conditions

Old-age pension: The old-age pension is divided into three categories of entitlement:

Category 1: New entrants to the labor force as of 1996. Age 57 with 5 years of contributions. Retirement is necessary. The pension benefit must not be less than the social allowance plus 20%. There is no entitlement to a pension below this level, unless the insured is aged 65 or older or has 40 years of contributions.

Category 2: Insured persons with less than 18 years of contributions as of December 31, 1995. As of January 1, 2001, age 65 (men) and age 60 (women) with 20 years of contributions in 2001. Retirement is necessary.

Category 3: Insured persons with more than 18 years of contributions as of December 31, 1995. Same conditions as

Category 2 except that 15 years of contributions are necessary prior to 1992.

Income-tested old-age allowance: Age 70. Payable for a single person or a couple.

Seniority pension: As of January 1, 2002, age 57 with 35 years of contributions, or regardless of age with 37 years of contributions. The contribution period will rise gradually to 40 years by 2008.

Social allowance: Age 65. An Italian citizen or a citizen of a member state of the EU resident in Italy. Income, including that of a partner, must be below a government-set level.

Disability pension: Total and permanent inability to perform any work. Five years of contributions, including at least 3 years in the 5 years preceding the claim. Entitlement is based on the absence of all other forms of income, including earnings from self-employment and unemployment benefits.

Disability allowance: Loss of 2/3 of working capacity. Contribution requirements are the same as for the disability pension. The disability allowance is awarded in the first instance for a period of 3 years but can be extended for additional 3-year periods. After the allowance has been extended for a second consecutive time, the award becomes permanent. At retirement age, entitlement to the disability allowance ceases and the old-age pension is awarded if the insured person satisfies the qualifying conditions for the old-age pension and has ceased all paid employment. The allowance is means-tested. The disability allowance is reduced by 25% if the insured person has income four times greater than the minimum income (•19,882.66 in 2001) and by 50% if income is five times greater than the minimum income (•24,853.32 in 2001).

Survivor pension: There are two categories of a survivor pension:

Category 1: If the insured was receiving an old-age or disability pension.

Category 2: If the insured was not receiving an old-age or disability pension but had 5 years of contributions of which 3 years were in the previous 5 years.

For both categories, entitlement is awarded to eligible survivors: a spouse, a separated spouse, dependent children, children who were students or disabled at the time of the insured's death, and nephews, nieces, or grandchildren who were dependent on the deceased.

Other eligible survivors, in the absence of the above: Parents older than age 65 who are not receiving a pension and who were dependent on the deceased.

If the deceased insured was not receiving a pension, 5 years of contributions are required including 3 years during the 5 years preceding death.

Old-Age Benefits

Old-age pension: The calculation for benefit entitlement varies according to the starting date of the insurance period.

Category 1: For newly insured persons whose insurance period commenced on or after January 1, 1996, benefit entitlement is calculated from 33% (20% for the self-employed) of taxable base income, reevaluated on an annual basis, multiplied by a variable coefficient (4.72 at age 57 or 6.136 at age 65).

Category 2: For insured persons with less than 18 years of contributions as of December 31, 1995, benefit entitlement for the contribution period prior to January 1, 1996, is based on a progressive percentage (0.9% to 2%) of salary times the number of years of contributions. Benefit entitlement for the contribution period commencing January 1, 1996, is the same as for newly insured persons under Category 1 (above).

Category 3: For insured persons with more than 18 years of contributions as of December 31, 1995, benefit is based on a progressive percentage (0.9% to 2%) of salary times the number of years of contributions.

The minimum pension is •392.69 a month; the minimum pension is •516.46 a month for pensioners aged 70 with income lower than a predetermined level (•6,714 for a single person and •11,271.39 for a couple).

Schedule of payments: Paid monthly, with a 13th payment in December.

Benefit adjustment: Annual adjustment according to the average change in the cost of living.

Seniority pension: Benefit is based on a progressive percentage (0.9% to 2%) of salary times the number years of contributions.

Social allowance: The pension is •3,775.83 a year; the social allowance may be increased to •516.46 a month for pensioners aged 70 with income lower than a predetermined level (•6,714 for a single person and •11,271.39 for a couple).

Benefit adjustment: Adjusted annually according to a government-set income ceiling.

Permanent Disability Benefits

Disability pension: Same as for the three categories of old-age pension plus an increment based on the anticipated number of years between the date of the onset of disability and normal pension age.

The minimum pension is •392.69; •526.46 for an insured person aged 60 with income below a predetermined level (•6,714 for a single person and •11,271.39 for a couple).

Constant-attendance supplement: •369.27 a month.

Disability allowance: The minimum allowance is •392.69 a month.

Schedule of payments: Paid monthly, with a 13th payment in December.

Benefit adjustment: Annual adjustment of pensions based on the average increase in the cost of living.

Survivor Benefits

Survivor pension: 60% of the pension paid or accrued to the insured for the spouse and 80% for a spouse and one child; 100% for a spouse and two or more children. If only orphans are entitled, the pension is paid as follows: 70% for one orphan, 80% for two orphans, and 100% for three or more orphans. In cases where the eligible survivors are parents, brothers, and sisters, the pension is paid as follows: 15% for each parent, brother, or sister.

Income test: For survivor pensions awarded after September 1, 1995, the pension is reduced by between 25% and 50% if the eligible survivor has income above certain limits.

Maximum survivor pension: 100% of the pension of insured.

Death grant: A variable lump-sum award of between •22.31 and •66.93 if the qualifying conditions for the survivor pension are not met. The deceased must have paid at least 1 year's contributions in the previous 5 years.

Administrative Organization

Ministry of Labor and Social Welfare and Ministry of Economy and Finance provide general supervision.

National Social Insurance Institute administers the mandatory national program through its branch offices as well as administering a number of special programs for certain categories of insured workers.

Sickness and Maternity

Regulatory Framework

First laws: 1912 (maternity), 1927 (tuberculosis), and 1943 (sickness).

Current laws: 2001 (maternity); 1978, 1983, 1999, and 2001 (sickness); 1970, 1975, and 1998 (tuberculosis).

Type of program: Dual social insurance (cash benefits) and universal (medical care) systems.

Coverage

Sickness benefit: Employed persons.

Maternity benefit: Employed persons.

Tuberculosis benefits: Employed persons; some self-employed categories are covered.

Medical benefits: All residents.

Source of Funds

Insured person

Sickness: None; some categories of contract workers make variable contributions.

Maternity: None; self-employed contribute. Some categories of contract workers make variable contributions.

Tuberculosis: None.

Employer

Sickness and maternity: Total cost for employed persons. Variable contributions are made on behalf of some categories of contract workers.

Tuberculosis: None.

Government (sickness, maternity, and tuberculosis): Total costs of maternity for certain categories of worker and the total cost of tuberculosis benefits.

Qualifying Conditions

Sickness and maternity benefits: Currently covered; self-employed and contract workers must meet contribution conditions.

Tuberculosis benefits: One year of coverage.

Medical benefits: No minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 50% of average earnings for the first 20 days and 2/3 thereafter. Benefit is payable after a 3-day waiting period for up to 180 days (longer in special cases).

For contract workers, the daily benefit is awarded only for days of hospitalization, and the amount is variable and calculated according to percentages of the value of the contributions made in the 12 months prior to hospitalization. Benefit is payable for 180 days of hospitalization per year.

Maternity benefit: Employees are entitled to 80% of earnings, payable from 2 months (or 1 month) before the expected date of childbirth and for 3 months (or 4 months) after childbirth. The self-employed are entitled to 80% of earnings, payable from 2 months before the expected date of childbirth and for 3 months after childbirth.

Supplementary parental leave (employees): Six months' leave for either parent. The allowance is 30% of earnings and must be taken before the child is age 3. Parents are entitled to an additional 6 months' leave before the child is age 8. The allowance is 30% of earnings if the parent's income is less than 2.5 times the value of the minimum pension. If the parent's income is above this level, the parent is entitled to parental leave but without the payment of the allowance.

Supplementary parental leave (self-employed): Three months' leave. The allowance is 30% of earnings and must be taken before the child is 1 year old.

Different rules for maternity benefits apply in cases of adoption, for contract workers, and for part-time workers.

Tuberculosis benefits

Daily benefit: A fixed daily benefit provided while receiving institutional care and payable for up to 180 days.

Post-sanatorium benefit: A fixed benefit awarded after leaving institutional care and payable for 2 years.

Care and support allowance: A fixed allowance awarded for a 2-year period. The award is renewable.

Christmas allowance: A supplementary allowance paid in addition to the benefits already received.

Workers' Medical Benefits

Services are provided by doctors and pharmacists under contract with, and paid directly by, the National Health Service. Benefits are paid for by the Health Service or by hospitals, most of which are public. Benefits include general and specialist care, hospitalization, prescribed medicines, dental care, the attendance of midwife or doctor at childbirth, specified appliances, and spa treatment. Tuberculosis care includes curative and convalescent care in sanatorium, post-sanatorium care, and rehabilitation.

Copayment by patients is required for certain prescribed medicines and hospital tests; copayments are waived for certain categories of insured persons and for persons with certain medical conditions. There is no limit to duration.

Dependents' Medical Benefits

Same as for the insured worker (see above).

Administrative Organization

Ministry of Labor and Social Welfare and Ministry of Economy and Finance provide general supervision.

National Social Insurance Institute administers cash sickness, maternity, and tuberculosis benefits.

Twenty regional health authorities and their respective local health authorities administer National Health Service.

Work Injury

Regulatory Framework

First law: 1898.

Current laws: 1965, 1998, and 2000.

Type of program: Social insurance system.

Coverage

Manual workers, nonmanual employees in dangerous work, the self-employed in agriculture, and domestic workers. A special system for seamen.

Source of Funds

Insured person: None.

Employer: 0.5% to 16% of payroll, according to the assessed degree of risk. The average basic rate for industrial workers is 3.0%.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

60% of the average daily wage for the first 90 days of disability; 75% thereafter. The average daily wage is calculated on the 15-day period preceding the accident or the onset of the occupational disease. Benefit is payable after a 3-day waiting period (during which the employer must pay the benefit).

Permanent Disability Benefits

Permanent disability pension (for incidents prior to July 25, 2000): The pension is awarded only for an assessed disability of 11% or more. The benefit is calculated on wages received during the year preceding the date of the accident or the onset of the occupational disease and on the assessed degree of disability. The amount of wages used to calculate the benefit is set within recognized minimum and maximum established limits. The amount of the pension may be revised according to changes in the assessed level of disability. The pension cannot be combined with old-age, disability, and survivors pensions.

Dependents' supplements: 5% of the pension for the wife and for each child under age 18 (age 26 if a student, no age limit if the child is disabled).

Benefit adjustment: The benefit is revalued annually according to changes in consumer prices.

Constant-attendance supplement: •369.40 a month to those with a permanent disability of 100%.

Benefit adjustment: The benefit is revalued annually according to changes in consumer prices.

Permanent disability pension (for incidents from July 25, 2000): If the assessed disability is 6% to 15%, a lump-sum payment is awarded based on disability and biological damage indemnity tables. If the disability is 16% or greater, an annuity is paid according to the degree of disability plus a cash supplement calculated according to wages (ceiling) and a coefficient table.

Benefit adjustment: The benefit is revalued annually according to changes in consumer prices.

Constant-attendance supplement: •369.40 a month to those with a permanent disability of 100%.

Benefit adjustment: The benefit is revalued annually according to changes in consumer prices.

Transitional compensation for silicosis and asbestosis:

Benefit is payable for 1 year to compensate insured workers who are forced to abandon a harmful work position in order to avoid aggravation of a diagnosed disease. In cases where the insured has become unemployed, the amount payable is equal to 2/3 of the average daily wage received in the 30 days preceding the abandonment of a harmful work position. In cases where the insured has changed employment, the amount is equal to 2/3 of the difference between the average daily wage received in the period of 30 days preceding the actual

abandonment of the former harmful work position and the remuneration received in the new employment.

Unemployability pension: A monthly payment of •186.96 is provided in cases where the assessed degree of disability is not less than 34%. The insured must be under age 65 and certified as unemployed.

Benefit adjustment: The benefit is revalued annually according to changes in consumer prices.

Workers' Medical Benefits

Benefits include medical, surgical, and hospital care; appliances; and rehabilitation.

Survivor Benefits

Survivor pension: 50% of earnings of the insured, payable to the surviving spouse.

Orphan's pension: 20% of earnings for each orphan under age 18 (age 26 if a student and dependent) or disabled, or 40% if a full orphan.

Other eligible survivors (in absence of the above): 20% of earnings of the insured for each parent, brother, or sister of the deceased.

Maximum survivor pensions: 100% of earnings of the insured.

Funeral grant: A lump sum is awarded to survivors or to the individual who paid the funeral expenses.

Administrative Organization

Ministry of Labor and Social Welfare provides general supervision.

National Accident Insurance Institute administers the program through provincial offices.

National Health Service administers medical benefits.

Unemployment

Regulatory Framework

First law: 1919.

Current laws: 1924, 1935, 1957, 1972, 1975, 1977, 1988, 1991, 1994, 1996, 1997, 1998, and 2000.

Type of program: Compulsory insurance system.

Coverage

Employees in private-sector employment. Workers in construction are also covered for special supplementary benefit.

Source of Funds

Insured person: None.

Employer: 1.61% (industrial managers) or 1.91% (industry and commerce) of payroll. Industrial employers also pay 0.3% (0.8% in construction) of payroll to a special unemployment fund and 2.2% of payroll (1.9% for firms with fewer than 50 workers) for wage supplement funds.

Government: Administrative costs plus subsidies for agricultural workers.

Qualifying Conditions

Unemployment benefit: Two years of coverage with 52 weeks of contributions in the last 2 years; construction workers must have 43 weeks of contributions during 2 years of employment in the sector.

Mobility allowance: Industrial workers with at least 1 year of insurance and 6 months of employment. Workers must be registered at an employment office and capable of, and available for, work.

Unemployment is not due to voluntary leaving, dismissal for misconduct, or refusals of suitable offers of employment or prescribed training (disqualification for 30 days).

Unemployment Benefits

Private-sector employees are entitled to 40% of salary. The maximum duration of benefit is 180 days; 270 days for workers over age 50. Construction workers receive 80% of salary for a period of between 18 months and 27 months depending on the location of the employing firm.

Mobility allowance: For the first 12 months, 100% of benefit from the special unemployment fund, thereafter the allowance is 80%. The maximum duration of the allowance is dependent on the age of the worker and the location of the place of employment but can be no more than 48 months.

Administrative Organization

Ministry of Labor and Social Welfare and Ministry of Economy and Finance provide general supervision.

National Social Insurance Institute administers the program through its branch offices.

Family Allowances

Regulatory Framework

First law: 1937.

Current laws: 1955, 1986, 1988, 1994, 1995, 1996, and 1997.

Type of program: Income-tested system.

Coverage

Employees and social insurance, welfare, and unemployment beneficiaries with one or more children or other dependents.

Special family benefit systems for the self-employed and for pensioners of the special systems.

Source of Funds

Insured person: None.

Employer: 2.48% of payroll.

Government: Subsidies, including 0.8% of the employer contribution.

Minimum earnings for contribution purposes are •36.32 a day or, if higher, the minimum wage.

Qualifying Conditions

Family allowances: A dependent spouse; children under age 18 (no age limit if disabled); brothers, sisters, nieces, and nephews must be orphans or dependent, under age 18 (no limit if disabled), and not eligible for a survivor pension.

Separate provisions for self-employed persons and formerly self-employed old-age pensioners.

Family Allowance Benefits

The amount varies in relation to the size and income of the family from •10.33 to •965.26 for up to seven children.

Supplements for larger families: An extra 10% and •53.72 for each additional child.

Income ceilings are increased for single-parent families and for families with at least one totally disabled family member.

Separate provisions for self-employed agricultural workers, the self-employed, and formerly self-employed old-age pensioners.

Benefit adjustment: Annual adjustment of allowances according to a government index.

Administrative Organization

Ministry of Labor and Social Welfare and Ministry of Economy and Finance provide general supervision.

National Social Insurance Institute administers the program through the Central Family Allowances Fund. Individual employers pay allowances directly to their own employees (except in agriculture) and domestic workers and settle the surplus or deficit of contributions due with the local branch office of the Institute.

Jersey

Exchange rate: U.S.\$1.00 equals 0.69 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1951.

Current laws: 1972 (attendance allowance), 1974 (social security), 1978 (invalid care and disability benefits), and 1997 (disability transport allowance).

Type of program: Dual social insurance (social security benefits) and social assistance (disability benefits) system.

Coverage

Old-age and survivor benefits: Employed and self-employed persons. Voluntary insurance for nonemployed persons.

Disability benefits: All residents.

Source of Funds

Insured person: 5.2% of earnings; the self-employed contribute 10.5% of earnings. The contribution ceiling is set at £2,664 per month. This contribution also covers sickness, maternity, and work injury benefits, as well as part of the cost of medical services.

Employer: 5.3% of payroll.

Government: Total cost of disability benefits.

Qualifying Conditions

Old-age pension: Payable at age 65 for men and women; women who were registered with the scheme prior to 1975 are eligible for a pension at age 60. The full pension is payable when a person has paid contributions for 45 years; the pension is reduced proportionately for reduced coverage. A pension may also be claimed at an actuarially reduced rate from age 63. No pension is payable if the proportion of contributions required for a full pension is less than 10%.

Disability pension: Permanent incapacity for work and payable after the one-year entitlement to sickness benefit has expired.

Attendance allowance: Payable to the severely disabled who need extra care and attention because of their disability. Paid after 6 months of disability. Subject to an income ceiling of £43,548 per year.

Invalid care allowance: Paid to a person who cares for a beneficiary of attendance allowance. Subject to an income ceiling of £43,548 per year.

Adult disablement allowance: Payable to persons who are congenitally disabled and have no contribution record.

Child disablement allowance: Payable to severely disabled

children under age 16 who are not disabled enough to qualify for attendance allowance.

Survivor pension: Deceased met coverage requirements for entitlement to the old-age pension or was a pensioner at the time of death.

Death grant: Deceased must have paid 1 year of contributions.

Old-Age Benefits

Old-age pension: The full pension is £129.15 a week for a single person or £214.41 for a married couple.

Benefit adjustment: Pensions are adjusted annually according to changes in the earnings index.

Permanent Disability Benefits

Disability pension: £129.15 a week. An additional £85.26 a week is paid for an adult dependent.

Attendance allowance: £348.99 a month.

Invalid care allowance: £559.00 a month.

Adult disablement allowance: £286.73 a month.

Child disablement allowance: £191.08 a month.

Benefit adjustment: Adjusted annually according to a formula reflecting changes in the earnings index and retail price index.

Survivor Benefits

Survivor allowance: £154.98 a week for the first year of widowhood.

Survivor pension: The full pension is £129.15 a week and payable when entitlement to survivor allowance ceases.

Death grant: £516.40 for an adult and £258.20 for a child under age 3.

Benefit adjustment: Adjusted annually according to changes in the earnings index.

Administrative Organization

Employment and Social Security Department administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1951.

Current law: 1974.

Type of program: Dual social insurance (cash benefits) and universal (medical care) systems.

Coverage

Cash benefits: Employed and self-employed persons.

Medical care: All residents.

Source of Funds

Insured person

Cash benefits: See Old Age, Disability, and Survivors, above.

Health insurance: 0.8% of earnings; the self-employed pay 2% of earnings. The contributions ceiling is £2,644 a month.

Employer

Cash benefits: See Old Age, Disability, and Survivors, above.

Health insurance: 1.20% of payroll. The contribution ceiling is £2,644 a month per employee.

Government

Hospital care: Total cost.

Health insurance: None.

Qualifying Conditions

Sickness benefit: Has 3 months of contributions prior to the claim for benefit; has paid contributions in the calendar quarter 6 months prior to the claim.

Maternity allowance: Women must have paid 13 weeks of contributions and also have paid contributions in the relevant quarter, which is 1 year prior to the expected date of birth.

Maternity grant: One year of contributions by either husband or wife.

Medical benefits: General practitioner care requires 6 months of residence.

Sickness and Maternity Benefits

Sickness benefit: £129.15 a week for 1 year. An additional £85.26 a week is paid for an adult dependent.

Maternity allowance: £129.15 for up to 18 weeks, starting anytime from the 11th week before the expected date of birth.

Maternity grant: A lump-sum payment of £387.30.

Benefit adjustment: Adjusted annually according to changes in the earnings index.

Workers' Medical Benefits

The medical care provided by hospitals is free of charge. The cost of general practitioner care varies between practices, but the government subsidizes each consultation by £12.00, and the cost of each prescription of pharmaceuticals is limited to £1.95 per item. Exemption from the cost of some medical care services is available to low-income families.

Dependents' Medical Benefits

Same as worker's medical benefits, above.

Administrative Organization

Employment and Social Security Department administers social security and health insurance.

Department of Health and Social Services administers hospital treatment.

Work Injury

Regulatory Framework

First law: 1930.

Current law: 1974.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Injury benefit is £129.15 a week. A dependent supplement is payable at £85.26 a week. The duration of the benefit payment is 1 year.

Benefit adjustment: Adjusted annually according to changes in the earnings index.

Permanent Disability Benefits

Permanent disability pension: £129.15 a week. An additional £85.26 a week is paid for an adult dependent.

Attendance allowance: £348.99 a month.

Disablement gratuity: A lump-sum award is paid if the disability resulting from the accident is assessed at less than 15%.

Workers' Medical Benefits

See medical benefits under Sickness and Maternity, above.

Survivor Benefits

Survivor benefits for dependents: Same as survivor benefits under Old Age, Disability, and Survivors, above. Special rules apply for widow's benefit.

Benefit adjustment: Adjusted annually according to changes in the earnings index.

Administrative Organization

Employment and Social Security Department administers social insurance benefits.

Department of Health and Social Services administers hospital treatment.

Unemployment

Regulatory Framework

First and current law: 1930.

Type of program: Social assistance.

Coverage

Five years' residence in Jersey.

Source of Funds

Insured person: None.

Employer: None.

Government: Local taxes and general revenue.

Qualifying Conditions

Person must be actively seeking employment and be unemployed for reasons not of his or her own making.

Unemployment Benefits

Benefit entitlement is means-tested and dependent on individual circumstances including the level of rent paid. The assessment of an individual's claim to benefit is undertaken at the local (parish) level.

Administrative Organization

The program is administered by 12 separate parish authorities and coordinated by the Committee of Constables.

Family Allowances

Regulatory Framework

First and current law: 1972.

Type of program: Universal system.

Coverage

Residents with one or more children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Child is under age 16 or in full-time education in Jersey.

Family Allowance Benefits

Assessed on previous year's income-tax return, with a maximum rate being paid for children in a family whose income was less than £6,950 in the previous year.

Maximum rates are £2,686 per year for the first child, £2,294 for the second child, and £2,169 for each subsequent child.

Administrative Organization

Employment and Social Security Department administers the program.

Latvia

Exchange rate: U.S.\$1.00 equals 0.63 lats.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1995, 1996, 1998, and 2001.

Type of program: Dual notional defined contribution (NDC) social insurance system and mandatory individual accounts.

Note: A system of second pillar individual accounts is mandatory for individuals who were under age 30 in 2001 and voluntary for those who were between ages 30 and 49 in 2001.

Coverage

Old-age and survivor pensions: Employed persons, self-employed persons, active military personnel, individuals caring for children less than 18 months old, unemployed persons, diplomatic staff spouses, and sickness and maternity benefit recipients.

Voluntary coverage if not subject to compulsory social insurance.

Disability pension: Employed and self-employed persons.

Source of Funds

Insured person

NDC: Included in employer's contribution.

Individual account: 2% of earnings, rising gradually to 10% by 2010.

Employer

NDC: 20% of payroll, decreasing gradually to 10% by 2010 (includes employee contribution).

Individual account: None.

Government: Contributes for active military personnel, individuals caring for children less than 18 months old, and spouses of diplomatic staff.

Qualifying Conditions

Old-age pension: Age 61.5 (men) or age 58.5 (women) with 10 years of insurance. The age requirement will increase, by 6 months each year, to age 62 for both men and women by 2003 and 2009, respectively.

Early retirement at age 60 (men) or age 56.5 (women) with 30 years of insurance.

Disability pension: 3 years of insurance.

Survivor pension: Deceased was insured or was a pensioner at time of death.

Old-Age Benefits

Old-age pension (NDC): The amount of the insured's contributions plus annual capital growth adjusted according to changes in the earnings index divided by the average remaining life expectancy.

Minimum pension is equal to the state social security allowance of 30 lats. The minimum pension is increased by 1.1% for an insurance period of at least 20 years; by 1.3% for an insurance period of 20 to 30 years; by 1.5% and for an insurance period of more than 30 years.

Old-age pension (individual account): The pension is based on the amount of the insured's contributions plus annual capital growth. At retirement, the insured can purchase an annuity or have the funds transferred into the insured's NDC account.

Permanent Disability Benefits

Disability pension: Disability pension is granted according to three categories of disability.

Category I: 0.45 times the average wage in 3 consecutive of last 5 years, plus average wage times ratio of actual contribution years to total possible number of years between age 15 and retirement.

Minimum is 1.6 times the minimum state social security benefit.

Category II: 0.4 times the average wage in 3 consecutive of last 5 years, plus average wage times ratio of actual contribution years to total possible number of years between age 15 and retirement.

Minimum is 1.4 times the minimum state social security benefit.

Category III: Minimum state social security benefit, 30 lats.

Survivor Benefits

Survivor pension: 50% of potential old-age pension of insured for one survivor; 75% for two survivors; 90% for three or more. Payable to children and to dependent brothers, sisters, and grandchildren. The full-orphan's pension is based on the potential old-age pensions of both parents.

Minimum survivor pension is equal to state social security benefit.

Administrative Organization

Ministry of Welfare handles general supervision.

State Social Insurance Agency and its local offices grant and pay cash benefits.

Sickness and Maternity

Regulatory Framework

First law: 1924.

Current law: 1995.

Type of program: Social insurance system.

Coverage

Sickness benefit: Employed and self-employed persons.

Medical benefit: All permanent residents.

Source of Funds

Insured person and employer: 2.24% of payroll.

Government: Covers payment for minimum health care services.

Qualifying Conditions

Sickness benefits and medical care: No minimum qualifying period for receipt of benefits.

Sickness and Maternity Benefits

Sickness benefit: 80% of average earnings.

Payable from the 15th day of incapacity for work until recovery or, if declared permanently disabled, up to 52 weeks from day of incapacity for work or 78 weeks within a 3-year period if the incapacity for work reoccurs. Benefit is payable from the first day if caring for child younger than 14 years.

Employer pays for 2nd to 14th day of incapacity.

Maternity benefit: 100% of average earnings. Payable for 112 calendar days (56 days before and 56 days after the expected date of childbirth). Payable for 14 additional calendar days for complications during pregnancy, delivery, or postdelivery period as well as for multiple births and in cases in which medical care associated with pregnancy has been started at a medical institution and continued before the 12th week of pregnancy.

Administrative Organization

Ministry of Welfare handles general supervision.

State Social Insurance Agency and its local offices grant and pay cash benefits.

State Health Insurance Agency manages medical care.

Work Injury

Regulatory Framework

First law: 1927.

Current laws: 1995 and 1998.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: None.

Employer: 0.09% of payroll.

Government: Financing of state-guaranteed health care services.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 80% of average earnings.

Payable from the 15th day of incapacity for work until recovery or, if declared permanently disabled, up to 52 weeks from day of incapacity for work or 78 weeks within a 3-year period if the incapacity for work reoccurs. Benefit is payable from the first day if caring for child younger than 14 years.

Employer pays for 2nd to 14th day of incapacity.

Permanent Disability Benefits

Permanent disability benefit: Percentage of insured's average monthly earnings depending on degree of disability: 80% for 100% loss of earning capacity, up to 75% if loss is 90% to 99%, up to 70% if loss is 80% to 89%. Thereafter, entitlement decreases by 5% for each successive reduced degree of disability down to a minimum of 25% if loss is 10% to 14%.

Workers' Medical Benefits

Medical benefits: Same as for sickness benefit, plus reimbursement for additional expenses for medical treatment, nursing care, prosthesis, escort, travel expenses, and occupational rehabilitation.

Survivor Benefits

Survivor pension: 25% of the average monthly earnings of the deceased for one survivor, up to 35% for two survivors, up to 45% for three, up to 55% for four or more.

Higher percentage for orphans.

Payable to children and to dependent brothers, sisters, grandchildren, surviving spouse, parents, and grandparents.

Administrative Organization

Ministry of Welfare handles general supervision.

State Social Insurance Agency and local insurance offices grant and pay insurance-based and related benefits.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 1999.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons, active military personnel, and individuals taking care of children under 18 months old.

Source of Funds

Insured person and employer: 1.90% of payroll.

Government: Contributes for active military personnel and for individuals taking care of children under 18 months old.

Qualifying Conditions

Unemployment benefit: Registration at state employment office, total insurance contributions not less than 1 year, 9 months of insurance contributions in the 12 months before registering as unemployed.

Unemployment Benefits

Unemployment benefit: Determined according to the length of insurance contributions and the length of unemployment: 1 to 9 years of insurance, 50% of earnings; 10 to 19 years, 55%; 20 to 29 years, 60%; over 30 years, 65%. Full amount is paid for the first 3 months, 75% for 3 to 6 months, and 60% for 6 to 9 months.

Administrative Organization

Ministry of Welfare handles general supervision.

State Social Insurance Agency and local insurance offices grant and pay benefits.

State Employment Service and local employment offices handle placement, training, and retraining.

Family Allowances

Regulatory Framework

First law: 1990.

Current laws: 1995 and 1998.

Type of program: Universal coverage.

Coverage

Permanent residents with a child of prescribed age.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Child under 15 years (20 years if at secondary school).

Family Allowance Benefits

Family allowances: 20% of monthly state social security allowance for the first child, 1.2 times the amount awarded for the first child for the second, 1.6 times for the third, 1.8 times for the fourth and subsequent children.

Administrative Organization

Ministry of Welfare handles general supervision.

State Social Insurance Agency and local insurance offices grant and pay benefits.

Liechtenstein

Exchange rate: U.S.\$1.00 equals 1.65 Swiss francs.

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1952 (old age and survivors), 1959 (disability), and 1987 (mandatory occupational pensions).

Type of program: Universal system and mandatory occupational pensions.

Note: The dual system comprises a universal old-age pension scheme and mandatory occupational pensions. The occupational pensions are mandatory for all paid employees and are administered by private insurance companies according to the relevant law and under government supervision. The following summary describes the universal old-age pension scheme.

Coverage

All residents and employed and self-employed nonresidents.

Source of Funds

Insured person: Employees contribute 3.8% of salary (old age and survivors), plus 0.6% (disability). Self-employed persons contribute 7.6% of income (old age and survivors), plus 1.2% (disability). The nonemployed pay variable contributions depending on their assets and income.

The self-employed and nonemployed pay an additional 4% of their individual contribution amount for administrative costs.

Employer: 3.8% of the payroll (old age and survivors), plus 0.6% (disability), and 4% of the employer contribution amount for administrative costs.

Government: 20% of annual expenditure, plus 2/3 of income from the Heavy Vehicle Fee (old age and survivors) and any deficit up to 50% of annual expenditure (disability).

Qualifying Conditions

Old-age pension: Age 64 (men) or 62 (women) and 1 year of contributions. The pensionable age for women will increase to age 63 by 2003 and to age 64 by 2009. Early pension from age 60 (men and women).

Disability pension: For a full pension, a permanent loss of capacity to work of 66% and 1 year of contributions. For a half pension, a 50% to 66% reduction in the capacity to work and 1 year of contributions. For a quarter pension, a 40% to 49% reduction in the capacity to work and 1 year of contributions.

Survivor pension: Deceased had 1 year of contributions.

Old-Age Benefits

Old-age pension: For a full pension based on a complete insurance period for the age class (defined by the year of birth), the pension is between 1,030 francs and 2,060 francs a month depending on the yearly average earnings during the entire insurance period.

Child supplement: 40% of the old-age pension for each child under age 18 (age 25 if a trainee or a student).

Partial pension: Awarded for an incomplete contribution period.

Early pension: Payable at a reduced rate. The reduced value of the pension depends on when the pension is first drawn. The rate at which the early pension is reduced is lower for women born in, or before, 1951.

Deferred pension: Increase of pension from 5.22% for a 1-year deferral to 40.71% for the maximum deferral of 6 years.

Christmas bonus: 100% of the monthly pension, payable in December.

Benefit adjustment: Periodic adjustment of pensions for changes in the consumer price index and wage index (in principle, every 2 years). If the price index increases by more than 4% in 1 year, the adjustment may be brought forward.

Permanent Disability Benefits

Disability pension: The full pension is based on a complete insurance period for the age class. If the level of disability exceeds 66% (total disability), the pension is between 1,030 francs and 2,060 francs a month depending on yearly average earnings during the entire insurance period.

Partial disability: If the level of disability is between 50% and 66%, the award is 50% of the full pension; if the level of disability is between 40% and 49%, the award is 25% of the full pension.

Child supplement: 50% of the disability pension for each child under age 18 (age 25 if a trainee or a student).

Partial pension: Awarded for an incomplete contribution period.

Christmas bonus: 100% of the monthly pension, payable in December.

Benefit adjustment: Periodic adjustment of pensions for changes in the consumer price index and wage index (in principle, every 2 years). If the consumer price index increases by more than 4% in 1 year, adjustment may be brought forward.

Survivor Benefits

Survivor pension: The full pension is based on a complete insurance period for the age cohort and is 80% of deceased's hypothetical pension. The full pension is payable to a widow or a widower with children, as well as to a widow or a widower without children but who is aged 45 or older and who was married to the deceased for at least 5 years.

In cases where the qualifying conditions are not met in full, the pension is payable for 2 years to 5 years (according to the age of the surviving spouse and the duration of the marriage).

Partial pension: Awarded in cases where the insured had an incomplete contribution period.

Orphan's pension: 40% of deceased's hypothetical pension. Payable for each orphan less than 18 years old (age 25 if a trainee or a student).

Partial pension: Awarded in cases where the insured had an incomplete contribution period.

Benefit adjustment: Periodic adjustment of pensions for changes in the consumer price index and wage index (in principle, every 2 years). If the consumer price index increases by more than 4% in 1 year, adjustment may be brought forward.

Funeral grant: Paid by sickness funds for persons insured with them.

Administrative Organization

Old Age, Survivor, and Disability Insurance Institute administers the universal old-age pension scheme.

Mandatory occupational pension plans are administered by private insurance companies under government supervision.

Sickness and Maternity

Regulatory Framework

First law: 1910.

Current laws: 1971 (sickness) and 1981 (maternity).

Type of program: Social insurance system (cash benefits) and universal scheme (medical benefits).

Coverage

Cash sickness benefit: Employed persons. Voluntary insurance for other defined categories.

Medical care: All residents and persons employed in Liechtenstein.

Source of Funds

Insured person: A variable percentage of salary (the average is between 1.5% and 2%) or a fixed sum.

Maximum earnings for contribution and benefit purposes are 106,800 francs a year.

Employer: A variable percentage (the average is between 1.5% and 2%) of the payroll.

Maximum earnings for contribution and benefit purposes are 106,800 francs a year.

Government: Varying contributions are made toward the cost of medical benefits payable to health insurance funds according to the age and gender make-up of each fund.

Qualifying Conditions

Cash sickness benefit: Membership in a health insurance fund.

Cash maternity benefit: 270 days of membership in a health insurance fund without interruptions of longer than 3 months.

Sickness and Maternity Benefits

Cash sickness benefit: 80% of covered earnings. The maximum is 267 francs a day. Payable after a 2-day waiting period for 720 days in the course of 900 consecutive days.

Maternity benefit: 80% of covered earnings. The maximum is 267 francs a day. Payable for 20 weeks, of which at least 16 weeks are after the expected date of childbirth.

Workers' Medical Benefits

Provided by approved doctors, public hospitals, private hospitals, and clinics contracted with health insurance funds and by recognized sanitariums.

Medical benefits include primary and specialist treatment, hospitalization, pharmaceuticals, maternity care, and spa treatment. There is no limit on duration.

Cost sharing by patients includes a set fee of 200 francs per calendar year and a 10% copayment for all costs exceeding the set fee. Only 50% cost sharing in the case of pensioners and adolescents over age 15 and under age 20; no cost sharing for children under age 16 or for preventive and maternity care.

Dependents' Medical Benefits

Insured in own right on account of separate insurance coverage. Same benefits as under medical benefits for insured workers (see section on Workers' medical benefits, above).

Administrative Organization

Registered Compulsory Health Insurance Funds administer contributions and benefits.

Work Injury

Regulatory Framework

First law: 1910.

Current law: 1989.

Type of program: Social insurance system.

Coverage

Employed persons. Voluntary coverage for self-employed persons.

Source of Funds

Insured person: Employed persons make no contribution. Self-employed persons contribute according to the extent of coverage and the degree of assessed risk.

Employer: Premiums according to the degree of assessed risk.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

80% of earnings covered up to a maximum of 106,800 francs a year. The maximum is 293 francs a day. Benefit is payable after 2 days of illness.

Permanent Disability Benefits

Permanent disability benefits: 80% of earnings covered up to a maximum of 106,800 francs a year for total disability.

Partial disability: A percentage of the full pension depending on the level of disability. No minimum limit for each level of disability (in practice, 10% is taken as minimum limit).

Constant-care allowance: Depending on the level of dependency and care required.

Physical integrity damage grant: Cash lump sum depending on the degree of damage.

Workers' Medical Benefits

Expenses covered in full. There is no limit on the duration of benefits.

Survivor Benefits

Survivor pension: 40% of earnings covered up to a maximum of 106,800 francs a year. Payable to a surviving spouse (widow or widower) or to a divorced spouse (if deceased was required to pay maintenance) if he or she has dependent children, is at least 2/3 disabled, or is aged 45 or older.

Orphan's pension: For each child under age 18 (under 25 if a student), 15% of earnings (25% for a full orphan) covered up to a maximum of 106,800 francs a year.

The maximum survivor pension is 70% of the deceased's covered earnings (90% if a divorced spouse is also receiving a survivor pension). If survivors are eligible for pensions under the old-age, survivor, and disability insurance scheme, only the differential amount is paid if the survivor benefit under work injury is higher. Beneficiaries receive cost-of-living allowances that are incorporated into the pension.

Benefit adjustment: As a general rule, pensions are adjusted every 2 years.

Survivor allowance: Payable to a surviving spouse or to a divorced or separated spouse who has no right to a pension.

Paid in the form of a variable lump sum depending on the duration of marriage (from 1 to 5 times the annual pension).

Administrative Organization

Registered Compulsory Accident Insurance Funds administer contributions and benefits.

Unemployment

Regulatory Framework

First and current law: 1969.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: 0.25% of salary.

The maximum earnings for contribution and benefit purposes are 97,200 francs a year.

Employer: 0.25% of payroll.

The maximum earnings for contribution and benefit purposes are 97,200 francs a year.

Government: Under certain conditions the government covers up to 20% of the cost of benefits. The government also meets up to 20% of the cost of any deficit.

Qualifying Conditions

Unemployment benefit: Six months of insurance. Available for work and fulfills supervisory requirements.

Unemployment Benefits

80% of daily covered earnings. Daily benefits are payable for 250 days (400 days for unemployed persons aged 50 to 59 and 500 days for those aged 60 to 64) in the course of 2 years.

Dependent supplement: 10 francs a day for one dependent; 5 francs a day for each additional dependent.

The maximum benefit is 85% of daily covered earnings.

Administrative Organization

National Unemployment Insurance Fund administers contributions and benefits.

Family Allowances

Regulatory Framework

First law: 1957.

Current law: 1985.

Type of program: Universal system.

Coverage

All residents and nonresident employees and self-employed persons.

Source of Funds

Insured person: Employed persons make no contribution. Self-employed persons contribute 2.1% of gross earnings. The nonemployed make variable contributions depending on their assets and income.

Self-employed and nonemployed pay an additional 4% of their individual contribution amount for administrative costs.

Employer: 2.1% of payroll and an additional 4% of their contribution amount for administrative costs.

Government: Any eventual deficit.

Qualifying Conditions

Family allowance: Children under 18 years old.

Family Allowance Benefits

Family allowances: 260 francs a month per child for the first two children if under age 11; 310 francs per child for the third and any subsequent children and for the first two children if over age 10.

Lone parent allowance: 100 francs a month per child (payable in addition to family allowances).

Birth grant: 2,100 francs per child; 2,600 francs per child for multiple births.

If eligible parents also receive family allowances from another country that are paid at a rate lower than those paid in Liechtenstein, only the difference between the two amounts is payable.

Administrative Organization

National Family Allowances Fund administers contributions and benefits.

Lithuania

Exchange rate: U.S.\$1.00 equals 3.99 litas (Lt).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1925.

Current laws: 1956, 1990, and 2000.

Type of program: Social insurance system.

Coverage

Insured workers and permanent residents.

Source of Funds

Insured person: 2.5% of wage.

Employer: 22.5% of payroll.

Government: Any deficit. In addition to pensions, the state social insurance budget finances the other social insurance programs.

Qualifying Conditions

Old-age pension: 62 years (men) and 58 years (women).

Disability pension: Disability involving either permanent or prolonged incapacity for work. Depending on age, person must have minimal social insurance work record.

Survivor pension: The deceased must have been a pensioner or, at the time of death, must have had the length of coverage necessary for award of a disability pension.

Old-Age Benefits

The basic pension is set at no less than 110% of the poverty level; and a supplementary pension is based on years of coverage and the ratio of individual earnings to national average earnings.

Permanent Disability Benefits

Disability pension: Varies according to degree of disability.

Survivor Benefits

Survivor pension: Eligible survivors include children up to age 18 (24 if student) and a spouse who has reached old age or is disabled.

The spouse receives 20% of the deceased wage earner's total benefit. Each child receives 25% of the deceased's pension. Total entitlement may not exceed 80% of the deceased worker's pension.

Administrative Organization

Ministry of Social Security and Labor.

State Social Insurance Fund Council (composition determined by the government).

State Social Insurance Fund Board.

Territorial State Social Insurance Board Offices (cities and regions).

Sickness and Maternity

Regulatory Framework

First law: 1925.

Current law: 1991 as amended, 2000.

Type of program: Dual social insurance and social assistance systems for cash benefits and universal system for medical care.

Coverage

Sickness benefits: Persons insured under compulsory or voluntary social insurance.

Medical benefits: All residents.

Source of Funds

Insured person: 0.5% of wage.

Employer: 3% of payroll.

Government: Any deficit.

Qualifying Conditions

Sickness and medical benefits: Prior to the date of claim for temporary incapacity for work, the insured shall have a sickness and maternity social insurance record covering not less than 3 months during the past 12 month or 6 months during the past 24 months. If an incomplete sickness or maternity social insurance record is as a consequence of parental leave to care for a child of 1 to 3 years of age, a social insurance record shall be calculated from 12 months prior to the leave commencing.

Sickness and Maternity Benefits

Sickness benefit: Employer pays at least 80% of recipient's average salary for first 2 days; subsequently, social insurance pays 85% of the reimbursed amount of the salary. This benefit cannot be less than the average monthly insurable income valid in the month of the disability for the recipient's full compensatory wage.

Maternity benefit: Provided for 70 calendar days before and 56 calendar days after the expected date of childbirth. Benefit cannot be less than 1/4 of the average monthly insurable income in effect that month when pregnancy and childbirth leave was granted.

Child care benefit: Either parent may take official leave from employment for up to 1 year to care for the new infant and receive child care benefit equal to 60% of wages.

Workers' Medical Benefits

Provided directly by government health facilities. Cost of medication during stay in permanent medical establishments is covered by the state.

In case of outpatient treatment for insured persons, part of the cost of medication is covered by the state social insurance budget.

Dependents' Medical Benefits

Same as for head of family.

Administrative Organization

Ministry of Social Security and Labor.

Ministry of Health.

State Social Insurance Fund Board and its territorial social insurance departments.

Local authorities.

Work Injury

Regulatory Framework

First law: 1991.

Current laws: 1991 and 2000.

Type of program: Social insurance.

Employer liability for compensation governed by state legislation.

Coverage

Wage earners.

Source of Funds

Insured person: None.

Employer: 1% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

100% of wage, payable until resumption of work capacity or determination of disability.

Permanent Disability Benefits

Varies according to degree of disability.

Survivor Benefits

Survivor pension: Eligible survivors include children up to age 18 (24 if student) and a spouse who has reached old age or is disabled.

The spouse receives 20% of deceased wage earner's total benefit. Each child receives 25% of the deceased's pension. Total entitlement may not exceed 80% of deceased worker's pension.

Administrative Organization

Ministry of Social Protection.

State Social Insurance Administration and its territorial social insurance departments.

Unemployment

Regulatory Framework

First law: 1919.

Current law: 1990 and 1996.

Type of program: Social insurance.

Coverage

Employed persons.

Source of Funds

Insured person: None.

Employer: 1.5% of payroll is transferred to the unemployment fund.

Government: Allocations from state budget in case of deficit.

Qualifying Conditions

Unemployment benefit: 24 months of contributions in the last 3 years.

Unemployment Benefits

Amount of unemployment benefit depends on the insured's state social insurance record and the reason for job loss.

Minimum benefit is government-set state-supported income (135 Lt).

Maximum benefit is twice the minimum standard of living (250 Lt).

Payable from the eighth day after registration but for no more than 6 months in any 12-month period.

Administrative Organization

Ministry of Social Security and Labor.

Employment Exchange of Lithuania, comprising the national and territorial employment exchanges.

Family Allowances

Regulatory Framework

First law: 1990.

Current law: 2000.

Type of program: Benefits are financed by state and municipal budgets and provide means-tested social pensions to families with low income.

Small grants are also provided that are not subject to means-testing.

Luxembourg

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1911 (wage earners) and 1931 (salaried employees).

Current law: 1992.

Type of program: Social insurance system.

Coverage

All economically active persons in the private and public sectors including self-employed persons.

General system for the private sector.

Special systems for railway and public employees who entered employment before January 1, 1999.

Special systems for railway and public employees who entered employment on or after January 1, 1999. These special systems are similar to the general system.

Source of Funds

Insured person: 8% of earnings.

Employer: 8% of payroll.

Government: 8% of earnings.

The minimum amount for contribution and benefit calculation purposes is 100% of the social minimum wage (•1,290.22 per month); the maximum amount is five times the social minimum wage (•6,451.09 per month).

Qualifying Conditions

Old-age pension: Age 65 (men and women) and 120 months of mandatory, voluntary, or deemed coverage.

An early old-age pension is payable at age 60 with 480 months of paid or deemed coverage and at least 120 months of mandatory coverage. An early pension is also payable at age 57 with 480 months of paid coverage. Retirement is necessary.

Retirement may be deferred to age 68; a partial pension, combined with part-time employment, is also possible.

Disability pension: Under age 65. Inability to perform former occupation or any other similar occupation; 12 months of coverage during the 3 years before the onset of disability. No minimum qualifying period in case of disability resulting from an accident.

Survivor pension: 12 months of coverage in the 3 years before the insured's death or if the insured was a pensioner at the time of death.

Old-Age Benefits

Old-age pension: •270.87 per month if insured for 40 years. Benefit is reduced by 1/40 for each year less than 40, plus an annual increment equal to 1.78% of adjusted lifetime covered earnings.

The minimum pension is •1,108.10 per month if insured for 40 years; the pension is reduced by 1/40 for each year less than 40. A minimum pension is not payable if insured for less than 20 years.

The maximum pension is •5,130.08 per month.

Benefit adjustment: Benefits are automatically indexed to changes in the cost of living and periodically adjusted according to changes in wages.

Permanent Disability Benefits

Disability pension: •270.87 per month if insured for 40 years. Benefit is reduced by 1/40 for each year less than 40, plus an annual increment equal to 1.78% of adjusted lifetime covered earnings. The disability pension also includes prospective coverage. If disability occurs before age 55, additional increments are calculated for the period between the date of disability and age 55 on the imputed average earnings of the insured from age 25 to the date of the disability onset.

The minimum disability pension is •1,108.10 a month if the insured has 40 years of effective or prospective insurance.

Benefit adjustment: Benefits are automatically indexed to changes in cost of living and periodically adjusted according to changes in wages.

Survivor Benefits

Survivor pension: 100% of the basic component of the insured's old-age pension, plus 75% of the increment earned by the insured. The concurrent drawing of a survivor pension and earnings or other personal pension is subject to a limit.

Payable to the spouse, including a divorced spouse, on the basis of years of marriage and number of contributions without regard to personal income.

Orphan's pension: 33% of the basic component of the insured's basic pension, plus 25% of the increment earned by the insured. Full orphans receive a double pension.

The maximum survivor pension is 100% of the total pension of the insured.

Benefit adjustment: Benefits are automatically indexed to changes in cost of living and periodically adjusted according to changes in wages.

Administrative Organization

Ministry of Social Security provides general supervision.

Old Age and Invalidation Insurance Institution administers the program for wage earners; managed by an employee-employer governing body and chaired by a government official.

Private Salaried Employees' Pension Fund administers the program for salaried employees; managed by an employee-employer governing body and chaired by a government official.

Pension Fund for self-employed artisans, merchants, and manufacturers administers the program for self-employed persons; managed by a governing body made up of representatives of the various self-employed groups.

Agricultural Pension Fund administers program for farmers; managed by a governing body of representatives of the agricultural profession.

Public Employees Administration administers the program for civil servants.

Sickness and Maternity

Regulatory Framework

First law: 1901.

Current laws: 1992 and 1998.

Type of program: Social insurance system. Cash and medical benefits.

Coverage

All employees and social security beneficiaries. Special systems for self-employed persons, artisans, and farmers (cash sickness and maternity benefits).

Voluntary membership in the sickness fund for those without compulsory coverage.

Source of Funds

Insured person: 4.90% (blue-collar workers) or 2.65% (white-collar workers) of earnings. Pensioners contribute 2.55% of pension and an additional 1% of taxable income for dependents.

Employer: 4.90% (blue-collar workers) and 2.65% (white-collar workers) of payroll. Pension insurance institutions contribute 2.55% of pensions paid.

Government: Subsidies represent around 35% of contributions. Covers the total cost of maternity allowances.

The maximum earnings level for contribution purposes is five times national minimum wage (•1,290.22 per month).

Qualifying Conditions

Cash sickness, medical, and dependency benefits: Membership in sickness fund.

Cash maternity benefit: Membership in the fund 6 months in year prior to expected date of childbirth.

Sickness and Maternity Benefits

Cash sickness benefit: 100% of earnings, payable for up to 52 weeks from the first day of absence.

Cash maternity benefit: 100% of earnings, payable for 8 weeks before and 8 weeks after the expected date of childbirth (12 weeks if there are complications or multiple births or if the mother is nursing her child).

Parental leave of 8 weeks available upon the adoption of a child.

Maternity allowance: A lump-sum allowance of •2,812.40 payable for a total of 16 weeks to persons who have no loss of income while on maternity leave.

Workers' Medical Benefits

Medical benefits: Free choice of service provider. Services provided by doctors and hospitals under collective agreements, according to established schedule of fees.

Medical benefits include general and specialist care, hospitalization, laboratory services, maternity care, dental care, appliances, medicines, transportation, and rehabilitation services.

In general, insurance covers the entire cost of medical benefits, but insured pays 20% for consultations, 5% for the other ambulatory services, 5% for dental care up to a limit of •38.25 per year, •8.86 a day for hospitalization, and varying rates of 0%, 20%, or 80% of the cost of medicines.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for the insured person.

Attendance benefits: Various services and cash benefits for the provision of care by another person in order to permit an individual to undertake routine daily activities. Cash benefits are •49.30 per hour for care provided at home; •22.65 per hour for care provided at an institution.

Administrative Organization

Ministry of Social Security handles general supervision. Nine funds, each responsible for different occupational categories, administer benefits. Funds are managed by elected committees composed of representatives of insured persons and employers.

Sickness Fund Union administers dependency benefits.

Work Injury

Regulatory Framework

First law: 1902.

Current laws: 1925 and 1954.

Type of program: Social insurance system.

Coverage

Employees, apprentices, domestic workers, and self-employed persons.

Special systems for public employees, students, and the military.

Source of Funds

Insured person: None (except for self-employed persons).

Employer: 0.67% to 6% of payroll, according to the assessed degree of workplace risk.

Government: 50% of the cost of administration and 1/3 of the cost of pension adjustments due to wage changes.

The maximum salary for contribution and benefit purposes is •1,290.22 per month.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

100% of earnings is payable from the first day of incapacity for up to 13 weeks. Benefit is converted to a pension from the 14th week onward.

Permanent Disability Benefits

Permanent disability benefit: 85.6% of earnings during last year up to a maximum of •1,104.43 per month if totally disabled.

Child's supplement: 10% of the pension for each child under age 18 (age 27 if a student) if the insured is 50% or more disabled; no limit if the child is disabled. The value of the total supplement is not to exceed 100% of base salary.

Partial disability: A percentage of the full pension proportional to the degree of disability; converted to lump sum after 3 years if the disability is 10% or less (or on request if the degree of disability is 10% to 40%).

Benefit adjustment: Benefits are automatically indexed to changes in cost of living and are periodically adjusted according to changes in wages.

Workers' Medical Benefits

Necessary care, including medical treatment and surgery, hospitalization, medicines, appliances, and rehabilitation.

Survivor Benefits

Survivor benefit: 42.8% of earnings of the insured, or 53.5% if disabled, payable to the widow(er). Upon remarriage, entitlement to the survivor pension ceases and a lump-sum award is made equal to 60 months of earnings if under age 50 or 36 months of earnings if aged 50 or over.

Orphan's pension: 21.4% of earnings for each orphan under age 18 (under age 27 if a student); no limit if disabled.

Other eligible survivors (in absence of the above): Parents and grandparents, or the carer of the insured. The maximum survivor pension is 85.6% of earnings of insured.

Funeral grant: A lump sum of 1/15 of the annual earnings or the minimum wage, whichever is higher.

Benefit adjustment: Benefits are automatically indexed to changes in the cost of living or periodically adjusted according to changes in wages.

Administrative Organization

Ministry of Social Security provides general supervision.

Accident Insurance Association administers the program for workers in industry, agriculture, and forestry and also administers special programs.

Unemployment

Regulatory Framework

First law: 1921.

Current laws: 1976 and 1978.

Type of program: Social insurance system.

Coverage

Employed persons, self-employed persons under certain conditions, recent graduates of schools, and persons who have completed vocational training and are aged 16 to 28 years.

Source of Funds

Insured person: 2.5% (special solidarity tax).

Employer: None.

Government: Degree of financing set on a yearly basis by legislation.

Qualifying Conditions

Unemployment benefit: 26 weeks of work in the last 12 months. Self-employed persons, 5 years except for special cases; recent graduates, 26 weeks of registered unemployment. Registered at employment office, capable of work, and prepared to accept appropriate employment. Unemployment not due to voluntary leaving or the refusal of a suitable job offer.

Unemployment Benefits

80% (85% if the insured has a dependent child) of the basis salary during the last 3 months, up to 2.5 times social minimum wage (2 times after 182 days; 1.5 times after 365 days); recent graduates receive 70% of the social minimum wage; self-employed persons receive 80% of the social minimum wage. The amount is reduced for unemployed persons living with someone whose earnings exceed 2 times the social minimum wage.

Payable for up to 365 days in a 24-month period. The extension of the entitlement period is possible for 12, 9, or 6 months for older unemployed persons; additional extensions are available for hard-to-place unemployed persons.

Benefit adjustment: Benefits are automatically indexed to changes in cost of living.

Administrative Organization

Ministry of Labour provides general supervision.

Employment Agency, through local offices, administers the program and the payment of allowances.

Family Allowances

Regulatory Framework

First laws: 1947 (employed persons) and 1959 (self-employed persons).

Current laws: 1977 (birth allowance), 1980 (maternity allowance), 1985 (family allowance), 1986 (beginning of school year allowance), 1988 (education allowance), and 1999 (parental leave).

Type of program: Universal system.

Coverage

All children who are raised and are legally domiciled in the country.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowance: Child must be under age 18 (age 27 if a student); no age limit if the child is disabled before age 18.

Birth allowance: Proof of prescribed medical examinations and residence in Luxembourg.

Beginning of school year allowance: Payable to families with one or more children aged 6 to 18 years (27 years if a student) who are eligible for family allowances.

Child-rearing allowance: All residents who are raising one or more children under 2 years of age for whom they receive family allowances.

Parental leave allowance: Child under 5 years of age, receiving family allowance, parent living and working in Luxembourg at the time of the child's birth.

Family Allowance Benefits

Family allowances: •168.15 a month for one child; •399.28 a month for two children; •727.28 a month for three children; and •327.85 a month for each additional child; plus •14.65 a month per child aged 6 to 11 years and •43.96 per child aged 12 years or over.

Supplementary allowance: •168.15 a month added for a seriously disabled child.

Birth allowances: •1,576.47, payable in three equal installments as prenatal allowance, birth grant, and postnatal allowance.

Beginning of school year allowance: •102.51 for one child over age 6; and •146.47 if over age 12; •175.77 per child if there are two children over age 6; •219.67 per child if over age 12; •248.98 per child if there are three or more children over age 6; •292.94 per child if over age 12.

Child-rearing allowance: •439.41 per month.

Parental leave allowance: •1,611.10 a month, during a 6-month period.

Benefit adjustment: All allowances are indexed to changes in the cost of living.

Administrative Organization

Ministry of the Family provides general supervision.

National Family Allowance Fund administers allowances.

Malta

Exchange rate: U.S.\$1.00 equals
0.45 Maltese lira (Lm).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 (old age and survivors), 1965 (disability), and 1979 (2/3 pension).

Current law: 1987.

Type of program: Social insurance system.

Coverage

Residents aged 16 and over, citizens employed outside Malta by foreign employers having a place of business in Malta, and students in certain work-study programs. Coverage excludes married women not gainfully employed, full-time students, and persons over age 65.

Source of Funds

Insured person: Employed contribute 10% of basic wage; the minimum and maximum contributions are Lm 5.14 and Lm 12.78 per week, respectively (flat rate of Lm 2.84 per week if under age 18). Self-employed persons contribute Lm 9.22 to Lm 19.19 per week, depending on net income from self-employment and other sources.

Employer: 10% of payroll; minimum and maximum contributions are Lm 5.14 and Lm 12.73 a week, respectively, per employee (Lm 2.89 per week for employees under age 18).

Government: A sum equivalent to the value of 50% of total contributions.

The maximum basic wage (employed person) or net income (self-employed person) for contribution purposes is Lm 127.27 per week.

The maximum basic wage or net income for payment of the earnings-related pension is Lm 6,618.04 per year.

The maximum basic wage or net income for pensionable income purposes if employer also pays a service pension is Lm 6,750 per year.

All of the above contributions also finance sickness, work injury, unemployment, and family allowance benefits.

Qualifying Conditions

Old-age pension: Age 61 (men) or age 60 (women); 156 weeks of paid contributions, with an annual average of 50 weeks of paid or credited contributions. A reduced pension is awarded if coverage is between 20 weeks and 49 weeks under the flat-rate pension scheme or if coverage is between 15 weeks and 49 weeks under the earnings-related scheme.

Earned income from age 61 (men) or age 60 (women), whether through employment or self-employment, must not exceed the national minimum wage (Lm 51.33 per week) until age 65.

The old-age pension is payable abroad.

Disability pension: Total permanent incapacity for eligible full-time or regular part-time work; 250 weeks of paid contributions as an employee or as a self-employed person, with an annual average of 50 weeks of paid or credited contributions. A reduced pension is awarded if coverage is between 20 weeks and 49 weeks.

Survivor pension: Awarded to a widow whose deceased spouse paid 156 weeks of contributions, with annual average of 50 weeks paid or credited. A reduced pension is awarded if coverage is between 20 weeks and 49 weeks under the flat-rate pension scheme or between 15 weeks and 49 weeks under the earnings-related scheme.

Earned income must not exceed the minimum wage. Widows under age 60 with children under age 16 qualify for the survivor pension regardless of their income.

Orphan's pension: Awarded in the event that both parents are deceased. One parent must have been a citizen of Malta and had at least 1 week of contributions at the time of death.

Old-Age Benefits

Old-age pension: Benefits vary depending on whether entitlement exists to the earnings-related benefit that was introduced on January 22, 1979; whether the insured has an occupational service pension (which causes reductions in the social security benefit); and whether the person is married with a dependent spouse.

Benefits for persons who paid contributions only before January 22, 1979, range from a minimum of Lm 17.13 a week to a maximum of Lm 84.86 a week.

Earnings-related benefits, which can be as much as Lm 84.86 a week, are 2/3 of the yearly average of the best 3 consecutive years in the last 10 years before retirement for employed persons or in the last 10 consecutive years before retirement for self-employed persons.

Benefit adjustment: The adjustment of benefit is linked to increases in wages and prices.

Permanent Disability Benefits

Disability pension: Benefits vary depending on whether an occupational service pension is payable and whether the person is married with a dependent spouse. Benefits range from a minimum of Lm 15.39 a week to a maximum of Lm 43.16 a week.

Benefit adjustment: The adjustment of benefit is linked to increases in prices and, in some cases, to increases in wages.

Survivor Benefits

Widow's pension: Benefits vary depending on whether contributions were paid before or after January 22, 1979, and

whether a widow's pension is payable by the deceased husband's employer.

The maximum benefit for persons who paid contributions only before January 22, 1979, is Lm 70.72 a week.

Earnings-related benefits, which can be as much as Lm 70.72 a week, are 5/9 of the yearly average of the best 3 consecutive years in the last 10 years before the husband's death or retirement on age or medical grounds for employees or in the last 10 consecutive years before the husband's death or retirement for self-employed persons.

Benefit adjustment: The adjustment of benefit is linked to increases in wages and prices.

Remarriage grant: Upon remarriage, a widow forfeits any entitlement to a survivor pension from a previous marriage and receives a lump sum equal to 52 weeks of pension.

Orphan's pension: Lm 13.24 a week for each orphan under age 16; Lm 29.32 for each orphan between ages 16 and 21, provided orphan is not gainfully employed. If the orphan is gainfully employed but gross earnings are less than the minimum wage, then the allowance is reduced to bring the total of such allowance and gross earnings to an amount equivalent to the minimum wage.

Benefit adjustment: The adjustment of benefit is linked to increases in prices.

Administrative Organization

Ministry of Social Welfare provides general supervision.

Department of Social Security administers the program.

Director of Social Security manages the program.

Sickness and Maternity

Regulatory Framework

First laws: 1956 (sickness) and 1981 (maternity).

Current law: 1987.

Type of program: Social insurance system. Cash benefits only.

(The Conditions of Employment Regulation Act requires employers to provide 100% of earnings for 13 weeks' maternity leave.)

Coverage

Sickness benefit: Employed and self-employed persons.

Maternity benefit: Resident citizens.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Cash sickness benefit: 50 weeks of paid contributions and 20 weeks paid or credited during the last 2 contribution years prior to the benefit year in which the claim was made.

Maternity benefit: Maltese citizenship and residence in Malta and, if previously in employment, not entitled to maternity leave under the Conditions of Employment Regulation Act.

Sickness and Maternity Benefits

Sickness benefit: Lm 6.02 a day for a single person or person maintaining a spouse who is not in full-time employment; Lm 3.89 a day for other persons. Benefit is payable from the fourth day of incapacity for up to 156 benefit days a year; up to maximum of 312 benefit days a year if the person undergoes major surgery or suffers a severe injury (not work-related) or is afflicted by a serious disease requiring long-term treatment before the person is able to resume work; during a 2-year period the total number of benefit days may not exceed 468.

The total number of such benefit days must not exceed the total number of contributions paid since the person first entered the scheme.

Maternity benefit: The benefit is awarded for 14 weeks, 13 weeks of which are paid at Lm 17.50. Of the 14 weeks' entitlement, at least 8 weeks must be taken before the expected date of childbirth and the remaining weeks are to be taken as needed.

Administrative Organization

Ministry of Social Welfare provides general supervision.

Department of Social Security administers the program.

Director of Social Security manages the program.

Work Injury

Regulatory Framework

First law: 1929.

Current law: 1987.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons whose work is interrupted as a result of work injury.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

One week of contributions.

Temporary Disability Benefits

Lm 9.05 a day for a single parent or married person supporting a spouse who is not employed on a full-time basis; Lm 6.81 a day for other persons. Payable from the fourth day of injury for up to 12 months.

Permanent Disability Benefits

Permanent disability pension: For disabilities of 90% or more, a full disability pension is awarded regardless of the number of contributions paid or credited. Benefits vary depending on whether an occupational service pension is payable and whether the person is married with a dependent spouse. Benefits range from a minimum of Lm 15.39 a week to a maximum of Lm 43.16 a week. For disabilities between 20% and 89%, the pension ranges from Lm 4.79 to Lm 21.31 a week. For disabilities between 1% and 19%, a lump-sum award is made ranging from Lm 73.96 to Lm 1,405.16.

Benefit adjustment: The adjustment of benefit is linked to increases in prices and, in some cases, to increases in wages.

Workers' Medical Benefits

Medical, surgical, and rehabilitative treatment and medicines.

Survivor Benefits

Survivor pension: Widows and orphans. See survivor benefits under Old Age, Disability, and Survivors, above.

Administrative Organization

Ministry of Social Welfare provides general supervision.
Department of Social Security administers the program.
Director of Social Security manages the program.

Unemployment

Regulatory Framework

First law: 1956.

Current law: 1987.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Unemployment benefit: 50 weeks of paid contributions and 20 weeks of paid or credited contributions made during the contribution year prior to the benefit year in which the claim was made. Person must be registered as unemployed and be capable and available for work.

Unemployment Benefits

Unemployment benefit: Lm 3.66 a day for a single parent or a married person supporting a spouse who is not in full-time employment and Lm 2.04 a day for other persons.

Special unemployment benefit: Payable to the head of household in lieu of unemployment benefit if he or she satisfies a means test. The benefit rate is Lm 6.14 a day for a single parent or for a married person maintaining a spouse who is not in full-time employment; Lm 4.00 a day for other persons. Payable from the first day of unemployment for up to 156 benefit days; thereafter subsequent entitlement will be dependent upon the person having completed at least 13 weeks of employment.

In no case may the total number of such benefit days exceed the total number of contributions paid since the person first entered the scheme.

Administrative Organization

Ministry of Social Welfare provides general supervision.
Department of Social Security administers the program.
Director of Social Security manages the program.

Family Allowances

Regulatory Framework

First laws: 1974 (child allowances), 1977 (special allowances), 1988 (disabled child allowances and parental allowances), and 1989 (family bonuses).

Current law: 1987. As of July 6, 1996, child allowance, special allowance, parental allowance, and family bonus were incorporated within a new means-tested child allowance scheme. Disabled child allowance was made subject to a separate means test as of the same date.

Type of program: Social insurance system/public assistance.

Coverage

All resident Maltese citizens who satisfy the means test.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Child allowance: All households with children under age 21, if the income of both parents does not exceed Lm 10,270 in 2001. For children aged 16 or over, the child must never have been in gainful employment, not be registered as unemployed, be a full-time student and not being paid for the studies, and not entitled to any social benefits.

Disabled child allowance: All households caring for a physically or mentally disabled child if the child is not receiving any other social security pension for the disability. The income of one of the parents must not exceed Lm 13,270 in 2001.

Family Allowance Benefits

Child allowance: Benefit is calculated on the difference between the Lm 10,270 ceiling and the couple's income times a varying percentage ranging from 1.5% to 11.5%, depending on number of children.

Disabled child allowance: The maximum benefit is Lm 5.00 a week (income-tested).

Administrative Organization

Ministry of Social Welfare provides general supervision.

Department of Social Security administers the program.

Director of Social Security manages the program.

Moldova

Exchange rate: U.S.\$1.00 equals 12.86 lei.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 (state-sector employees) and 1964 (collective farmers).

Current law: 1998 (state social insurance benefits).

Type of program: Social insurance system.

Republics, local authorities, and employers can provide supplementary benefits out of their own budgets.

Coverage

Salaried citizens, agricultural workers, the self-employed, and elected or appointed officials in the government, parliament, and judicial system.

Source of Funds

Insured person: 1% of earnings; 23% of earnings for self-employed.

Employer: 29% of payroll for agriculture and industry, 30% for state budget-supported organizations, and 4.7% for charitable organizations and sheltered workshops.

Government: Ad hoc flat-rate payments to offset price increases as a result of government reductions in food and fuel subsidies. Total cost of the social pension and pensions for judges, prosecutors, and other specified categories.

The above contributions also finance cash benefits for sickness and maternity, work injury disability and survivor pensions, unemployment, and family allowances.

Qualifying Conditions

Old-age pension: Age 62 with 32 years of insurance coverage (men) or age 57 with 26 years of work (women); the requirements are reduced for hazardous or dangerous work (men, aged 55 with 20 years of work, of which at least 10 years were in hazardous and arduous conditions, or aged 50 with 25 years of work of which at least 12 years and 6 months were in hardship conditions; women aged 50 with 15 years of work of which at least 7 years and 6 months were in hardship conditions, or women aged 45 with 20 years of work of which at least 10 years were in hardship conditions), and for mothers of three or more children or of disabled children.

Deferred pension: No age limit.

Disability pension: Total disability (incapacity for any work): Group I disability, requiring constant attendance; Group II disability, not requiring constant attendance.

Partial disability (incapacity for usual work): Group III disability. Insured has a minimum of 1 to 15 years of covered employment, depending on age at the onset of disability.

Survivor pension: The insured was a pensioner or met the requirements for the old-age (partial or full) or disability (Groups I, II, and III) pensions.

Eligible survivors: Widow or widower. If retirement age or disabled (Group I or II) at the time of the death of the insured or within a 5-year period, married to the deceased spouse for at least 15 years, or caring for a child younger than age 3 and not employed. Eligibility ceases on remarriage. Children must be under age 18 (age 25 if a student). There is no age limit for disabled children.

Other eligible survivors: If caring for a child younger than age 3, unemployed, and not receiving social security benefits.

Social pension: Nonworking or disabled citizens who meet the age requirements (age 62 for men or age 57 for women; a disabled person whose disability began in childhood; or disabled children under age 16), and who are not eligible for employment-related old-age, disability, or survivor pension.

Old-Age Benefits

Old-age pension: Pension is computed using years of coverage, effective date of retirement, and average monthly income plus 2% of wages for each year of coverage above 35 (men) and 20 (women). For work in hazardous conditions, benefit is increased by 1% per year, depending on the age and the number of years worked.

Maximum pension: 75% of the wage base, not to exceed two times the minimum pension.

Minimum pension: 100 lei (as of December 2001); 85 lei for agricultural workers.

Wage base equals gross average earnings in last year preceding retirement.

Partial pension: Paid to those with insufficient years of covered employment but with at least 20 years of covered employment. The monthly benefit is reduced in proportion to the number of years below the required number of years of coverage.

The minimum partial pension is 100% of the minimum old-age pension.

Supplement for disabled dependents: Monthly benefit at 2/3 of the minimum old-age pension for each disabled dependent of a nonworking pensioner.

Constant-attendance supplement: Paid for a pensioner aged 80 or older at the rate of 2/3 of the minimum old-age pension per month.

Social pension: 50% of the minimum old-age pension per month; 100% of minimum old-age pension for mothers of three or more children.

Benefit adjustment: Periodic review of pensions according to cost of living changes.

Permanent Disability Benefits

Disability pension: The total disability pension (Group I disability pension) is 75% of wage base (see old-age pension) plus a constant-attendance supplement; the Group II disability pension is 55% of the wage base.

Minimum pension for Groups I and II disability: 100% of the minimum old-age pension.

Partial pension for total disability: If the insured has insufficient years of covered employment, the entitlement is the same as under old-age pension.

Supplement for disabled dependents: Same as under old-age pension.

Constant-attendance supplement (Group I disabled and other medically certified pensioners): Same as under old-age pension.

Partial (Group III) disability, 30% of wage base; minimum, 50% of minimum old-age pension. Payable monthly.

Social pension: Social pension for Group I disabled, disabled children under age 16, or Group I and Group II disabled with a disability that began in childhood: 100% of the minimum old-age pension.

Social pension for partial (Group III) disability: 30% of the minimum old-age pension a month.

Benefit adjustment: Periodic review of pensions according to cost-of-living changes.

Survivor Benefits

Survivor pension: 50% of the deceased's pension for one survivor, 75% for two, and 100% for three or more.

Full orphans: 50% of the deceased's pension.

Other eligible survivors: The pension is split into equal parts.

Minimum pension: 50% of the minimum old-age pension.

Maximum pension: 100% of the deceased's pension for three or more survivors.

Partial pension: If the insured had an insufficient period of covered employment, the entitlement is the same as would have been the case under the old-age pension.

Entitlement for a spouse ceases on remarriage.

Social pension: 50% of the minimum old-age pension for each survivor.

Benefit adjustment: Periodic review of pensions according to cost-of-living changes.

Administrative Organization

The Ministry of Labor and Social Protection provides general coordination and supervision.

Local social security departments administer the program.

Sickness and Maternity

Regulatory Framework

First law: 1993.

Current laws: 1995, 1997, 1998, 1999, and 2001.

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Salaried citizens; agricultural workers; the self-employed; elected or appointed officials in the government, parliament, and judicial system; the disabled; and the unemployed.

Medical care: All residents.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above. The entire cost of medical care.

Qualifying Conditions

Cash sickness and maternity benefits: Must be resident.

Medical care: Must be resident.

Sickness and Maternity Benefits

Sickness benefit: The level of benefit depends on the length of covered employment. For less than 5 years, the benefit is 60% of the reference salary; between 5 years and 8 years, 80%; and for more than 8 years, the benefit is 100%. Benefit is payable from the third day of sickness for up to 4 months.

Death grant: A lump sum of 360 lei.

Maternity benefit: Maternity leave starting from the 30th day of pregnancy for 126 days. Additional leave of 14 days is provided for cases of multiple births or complications resulting from childbirth. The benefit is 100% of the average wage during the last 2 months. In cases of adoption, benefit is paid for 56 days after the date of adoption.

Workers' Medical Benefits

Medical care is provided by the state. The insured make a minimal contribution toward the cost of medical care above the minimum rate. There is no limit to duration. Free hospital treatment is provided for a limited number of days according to social category.

Dependents' Medical Benefits

Same as for the insured, above.

Administrative Organization

Ministry of Labor and Social Protection provides general supervision of benefits.

Ministry of Health, in conjunction with local authorities and the trade unions, supervises the provision of medical care.

Ministry of Health and local health departments administer medical services provided through clinics, hospitals, and other facilities.

Work Injury

Regulatory Framework

First and current laws: 1993, 1997 (work injury), 1999 (work injury and occupational diseases insurance), and 2001 (pensions).

Local authorities and employers can provide supplementary pension benefits out of their own budgets.

Type of program: Dual social insurance (cash benefits) and universal (medical care) system.

Coverage

Cash benefits: Employed persons, members of cooperatives, pupils and students undergoing professional training.

Medical care: All residents.

Source of Funds

Insured person: None.

Employer: See Old Age, Disability, and Survivors, above.

Government: None.

Qualifying Conditions

Work injury benefits: Insurance coverage.

Temporary Disability Benefits

Temporary disability benefit: At least a 25% loss of working capacity. The benefit is 100% of average earnings in the last 6 months before the onset of disability, payable from the first day of incapacity until recovery or until the award of a disability pension.

Employment transfer reimbursement: The difference between the average monthly wage in the last 6 months and the average wage received in the new position of employment. The benefit is paid for 90 days.

Permanent Disability Benefits

Permanent disability pension: Benefit is paid according to three groups of disability and is based on covered annual wage in the last 6 months.

Death grant: A fixed award depending on the category and number of dependents, but not more than 24 national average monthly wages.

Workers' Medical Benefits

Medical services provided directly to patients by governmental health providers include general and specialist care, hospitalization, laboratory services, transportation, plus the full cost of appliances and medicines.

Survivor Benefits

Survivor pension: Same as for survivor pension under Old Age, Disability, and Survivors, above.

Maximum pension: Not more than 24 national average monthly wages.

Administrative Organization

Enterprises and employers pay temporary disability benefits for their employees.

Ministry of Labor and Social Protection provides general coordination and supervision of pensions.

Ministry of Health and health departments of local governments provide general supervision and coordination of medical care.

Ministry of Health and local health departments administer medical services provided through clinics, hospitals, and other facilities.

Unemployment

Regulatory Framework

First and current laws: 1997 (work injury) and 1999 (work injury and professional disease insurance).

Type of program: Social insurance system.

Coverage

Citizens aged 18 to 59 years (men) or 18 to 54 years (women). All registered citizens with a permanent address capable of work, including Group III disabled persons.

Source of Funds

Employee: None.

Employer: See Old Age, Disability, and Survivors, above.

Government: None.

Qualifying Conditions

Unemployment benefit: Registered at an employment office and willing and able to work. Benefits may be reduced, postponed, suspended, or terminated if the worker is

discharged for violating work discipline, leaving employment without good cause, violating conditions for a job placement or vocational training, or for filing fraudulent claims.

Claimants must have no income and have been salaried for at least 6 months in the last 12 months preceding unemployment. Waiting periods apply for some categories of worker: 2 months for the nonvoluntarily unemployed, 60 days for recently graduated students, and 30 days for ex-servicemen on the completion of military service.

Unemployment Benefits

The benefit for persons who have been employed for 6 months to 10 years is equal to 50% of the national average wage; for 10 years to 15 years of employment, the benefit is 55%; for 15 years and more, the benefit is 60%.

The benefit amount is reduced by 15% every 3 months but cannot be less than the minimum salary (18 lei).

Family supplement: For one or two children, 10%; for three or more children, 20%.

Benefit adjustment: Every January, in accordance with changes to the average national wage of the previous year.

Administrative Organization

Department of Employment within the Ministry of Labor and Social Protection provides general supervision.

State Employment Service administers the program.

Family Allowances

Regulatory Framework

First law: 1977.

Current law: 2001.

Type of program: Dual universal and social assistance system.

Coverage

Families with children resident in Moldova.

Source of Funds

Insured person: None.

Employer: See Old Age, Disability, and Survivors, above.

Government: None.

Qualifying Conditions

Family allowances: Children under age 16 (age 18 if a student). Other qualifying conditions vary according to benefits. For children older than age 15, entitlement is means-tested. The monthly income for each family member, including children, should not exceed 18 lei; for families with at least three children, 27 lei; for single mothers, 57 lei.

Family Allowance Benefits

Family allowances: For children up to age 15, 75 lei a month for an insured person and 50 lei for a noninsured person. For a child aged 15 and older, 25 lei a month.

Birth grant: A lump sum of 370 lei for the first child of an insured person and 250 lei for each subsequent child. A lump sum of 245 lei for the first child of a noninsured person and 165 lei for each subsequent child.

Benefit adjustment: Periodic benefit adjustments for allowances to children under age 6 are based on changes in the minimum wage, plus ad hoc flat-rate payments to offset price increases as a result of the government's cutbacks in food and fuel subsidies. Adjustments of allowances to children aged 6 and older are subject to changes that are not necessarily indexed to changes in the minimum wage.

Administrative Organization

Ministry of Labor and Social Protection provides general oversight of the program.

Local departments of social security administer benefit awards and payments to nonworking parents.

Enterprises and employers make benefit awards and provide payments to their own employees.

Monaco

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1944 (workers) and 1958 (self-employed).

Current laws: 1947, 1956, 1961, 1971, 1974, 1976, 1980, and 1983.

Type of program: Social insurance system.

Coverage

Employed persons.

Special systems for self-employed persons and public employees.

Source of Funds

Insured person: Old-age insurance is 6.15% of earnings. There is no disability insurance.

Employer: Old-age insurance is 6.15% of payroll plus an additional 0.86% of payroll (the additional rate covers breaks in insured employment arising from illness, unemployment, and so on). Disability insurance is 14.90% of payroll (also covers sickness insurance, maternity, and family benefits).

Government: None.

The maximum monthly earnings for insured persons and employer contribution purposes is •3,550 for old-age insurance and •5,640 for invalidity insurance.

Qualifying Conditions

Old-age pension: Age 65 (men and women) and 10 years of insurance coverage with at least 169 hours of employment each year; 60 months of effective or deemed employment.

Early retirement is available at age 60 with cessation of all work activity. Women can retire at age 55 if they have raised at least three children. Retirement can be deferred after age 65.

Disability pension: Under age 60, and a total loss of capacity to work (total disability) or loss of 2/3 of capacity (partial disability); 12 months' registration in previous 15 months; 800 hours of employment in previous 12 months, with 200 hours in previous 3 months.

Survivor pension: Age 50 years (widows). Age 65 years; or age 60 if disabled (widowers). No age limit if caring for at least one child; 4 years of marriage at the date of death or married 2 years before date of retirement of deceased spouse or at least one child issued from the marriage. Deceased was a pensioner or met insurance requirements for a pension.

Old-Age Benefits

Old-age pension: Benefit is calculated as the number of points acquired multiplied by the value of a point (•14.83). Number of points acquired during any 1-year period is obtained by dividing the declared earnings by the basic salary in force up to a limit of 4 points per month.

Permanent Disability Benefits

Disability pension: Benefit is 30% or 50% of the average monthly earnings over the previous 60 months depending on the category of disability.

Guaranteed minimum income for disabled persons under age 65 is equal to twice the Standard Minimum Income (•2,255 per quarter).

Constant care supplement: 40% of the disability pension.

Survivor Benefits

Surviving spouse pension: 60% of pension paid to the deceased.

Orphan's pension: 25% of deceased's pension for each orphan under age 18 (under age 20 if an apprentice, age 21 if a student). Full orphans receive 50% of the highest pension. The combined total of orphan's pensions cannot exceed the highest pension amount of the insured.

Administrative Organization

Independent Employees Pension Fund administers employees old-age insurance scheme. Tripartite administration.

Compensation Fund for Social Services administers employees' disability insurance. Tripartite administration.

Independent Pension Fund for Self-Employed Workers administers self-employed old-age insurance. Tripartite administration.

Sickness and Maternity

Regulatory Framework

First laws: 1944 (employees) and 1982 (self-employed persons).

Current laws: 1949, 1959, 1971, 1981, 1982, and 1983.

Type of program: Social insurance system.

Coverage

Employed persons.

Special scheme for self-employed persons.

Source of Funds

Insured person: None.

Employer: The contribution for sickness and maternity benefits is taken from the 14.90% of payroll contribution for disability insurance made under Old Age, Disability, and Survivors (see above).

Government: None.

Qualifying Conditions

Cash sickness benefit: If less than 6 months of interruptions from employment, 120 hours of effective or deemed employment during the last month or 200 hours during the last 3 months. If interruptions to employment equate to more than 6 months, 12 months of contributions in previous 15 months and 800 hours of work or deemed work in the previous 12 months of which 200 hours were in the preceding 3 months.

Cash maternity benefit: One month's registration in the quarter preceding conception and continuing registration and 85 hours of work each month between conception and the medical confirmation of pregnancy.

Medical benefits: 120 hours of employment in the last month or 200 hours in the previous 3 months.

Maternity medical benefits: 120 hours of employment in the last month or 200 hours in the previous 3 months.

Sickness and Maternity Benefits

Sickness benefit: 50% of the average daily salary of the previous 12 months up to the limit of •94. Benefit is payable after the first 3 days, up to a maximum of 360 days. Benefit entitlement can be extended for 3 or 4 years in cases of chronic or recurrent illness.

Maternity benefit: 90% of the average salary of the previous 12 months. Benefit for the first and second child (with fewer than two children already at home), payable for 8 weeks before and 8 weeks after expected date of childbirth; third and subsequent children (or with two children already at home), 8 weeks before and 18 weeks after expected date of childbirth; for twins (with no other children in the family), 8 weeks before and 10 weeks after expected date of childbirth; and other multiple births, 8 weeks before and 20 weeks after expected date of childbirth.

Workers' Medical Benefits

Reimbursements for medical costs include primary and specialist treatment, hospitalization, laboratory services, pharmaceuticals, dental care, appliances, and transportation.

The rates applied by medical practitioners and auxiliary medical services to insured persons are classified into three categories according to the income and family size.

1. Standard rate with no extras;
2. 20% higher than standard rate;
3. Fee set by prior agreement with practitioner.

The award is up to 80% of the cost of the medical benefit, up to the limit of the first category rate. This rate can increase to 100% for lengthy and costly treatment or for certain complicated procedures, including complicated surgery and prolonged hospitalization.

Dependents' Medical Benefits

Same as for insured person.

Administrative Organization

Compensation Fund for Social Services administers the employee's scheme. Tripartite administration.

Special scheme for self-employed persons is administered by a separate fund.

Work Injury

Regulatory Framework

First and current law: 1958.

Type of program: Obligatory private insurance scheme.

Unemployment

Regulatory Framework

Coverage provided through the French scheme for unemployment insurance.

Family Allowances

Regulatory Framework

First law: 1938.

Current law: 1954.

Coverage

Employed persons.

Source of Funds

Insured person: None.

Employer: The contribution for family benefits is taken from the 14.90% of payroll contribution made for disability insurance under Old Age, Disability, and Survivors (see above).

Government: None.

Qualifying Conditions

Family allowance: Child under age 6 (under age 16 if a school pupil; age 17 if searching for first job; age 21 if an apprentice, a student in further or higher education, or disabled).

Prenatal allowance: Head of the household registered; at least 77 hours of employment or deemed employment during the related month. A formal declaration of pregnancy during the first 3 months following conception supported by a medical examination of the mother.

Family Allowance Benefits

Family allowance: For employment of 145 hours (prorated if employed between 77 hours and 144 hours) the allowance is •112 a month for each child under age 3; •168 for each child aged 3 to 6 years; •202 for each child aged 6 to 10 years; •235 for each child aged 10 to 21 years.

Prenatal allowance: For employment of 145 hours (prorated if employed between 77 hours and 144 hours) the allowance is •112 a month.

Education grant: The amount varies according to the different lessons attended by children going to school in Monaco (between •53 and •338) or France (between •26 and •338).

Administrative Organization

Compensation Fund for Social Services administers the scheme. Tripartite administration.

Netherlands

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1901.

Current laws: 1957 (old-age pension), 1959 (survivor pension), 1966 (disability pension for employed persons), 1998 (disability pension for self-employed workers), and 1998 (disability assistance for handicapped young persons).

Type of program: Social insurance system.

Coverage

Old-age and survivor pensions: All residents.

Disability pension: Employed workers, self-employed workers, resident persons disabled since childhood, and students.

Source of Funds

Insured person: 17.90% of income for the old-age pension, 1.25% for the survivor pension. Self-employed persons contribute 8.80% for the disability pension.

Employer: 5.85% of payroll, plus a variable rate contribution (on average, 0.85%) for the disability pension for employed persons. The employer pays a supplement of 2.20% of payroll up to a maximum of •159 a day to compensate for part of the employee's contribution.

Government: Funds needed to bring low benefits up to the social minimum (•721.41 a month for a single person and •1,023.46 for a couple). The cost of pensions for those disabled since childhood and any deficit.

Maximum earnings for contribution purposes are •27,847 a year for old-age and survivor pensions, •159 a day for the disability pension for employed workers, •38,118 a year for the disability pension for self-employed workers (minimum earnings •13,160 a year).

Qualifying Conditions

Old-age pension: Age 65. Fifty years of residence from age 15 through age 64 and, if income earned, contributions paid each year from age 15 through age 64 for a full pension; otherwise reduced pension (no decreases for pre-1957 period if a resident citizen with 6 years of residence after age 59).

Two persons sharing a household can qualify for a couple's pension if both are over age 65 or, if under age 65, the younger partner satisfies the income test.

Retirement is unnecessary. Pensions are payable abroad under certain conditions.

Disability pension: Loss of over 80% of earning capacity in current occupation for a full pension, 15% to 80% for a partial pension under the system for employed workers, or 25% to 80% for unemployed workers or resident persons disabled since childhood and for students.

Survivor pension: Payable to widow, widower, unmarried permanent partner, or full orphan.

Income-tested for survivors born before 1950, or for those with children under age 18, and for a surviving partner who is 45% disabled.

Old-Age Benefits

Old-age pension: Single persons receive •869.24. Couples, whether married or not, and both aged 65 or older, receive •598.07 a month each. A single parent caring for a child under age 18 receives •1,077.54.

Income-tested supplementary allowance: Special rates operate if one partner, whether married or not, is under age 65. The supplementary allowance is added to the single-person pension if the younger partner's income is less than •1,078.10. The full allowance, including the single-person pension, is •1,196.14. The maximum supplement is payable if the partner's income is below •180.99.

The pension is reduced by 2% for each unexcused year of noncontribution.

Benefit adjustment: Automatic adjustment of all pensions twice a year for changes in the net minimum wage.

Permanent Disability Benefits

Disability pension (employed workers): Up to 70% of earnings for at least 80% disability and 14% to 50.75% of earnings for 15% to 80% disability.

The maximum benefit is •159.99 a day.

Constant-attendance supplement: 30% of the full pension.

Benefit adjustment: Automatic adjustment of all pensions twice a year for changes in the minimum wage.

Disability pension (self-employed workers): Up to 70% of earnings for at least 80% disability and 14% to 50.75% of earnings for 25% to 80% disability.

Maximum earnings equal the minimum wage of •1,206.60 a month.

Constant-attendance supplement: 30% of the full pension.

Benefit adjustment: Automatic adjustment of all pensions twice a year for changes in the minimum wage.

Disability pension (resident persons disabled since childhood and students): Up to 70% of the minimum wage for at least 80% disability and payments of 14% to 50.75% of the minimum wage for 25% to 80% disability.

Constant-attendance supplement: 30% of the full pension.

Benefit adjustment: Automatic adjustment of all pensions twice a year for changes in the minimum wage.

Survivor Benefits

Survivor pension: •932.38 a month to a widow(er) or an unmarried permanent partner caring for a child under age 18. Benefit is reduced by the survivor's income from employment. Part of the income from work, covering 50% of the minimum wage (•603.30 per month) plus 1/3 of all earnings in excess of this amount, is disregarded. No benefit is paid if monthly income is •2,002.54 or more.

Dependent child allowance: An allowance of •213.23 per child is paid without an income test until the child is age 18.

Orphan's pension: •298.36 a month for each full orphan under age 10, •447.54 if aged 10 to 15 years, and •596.72 if a student and aged 16 to 27 years or disabled and aged 16 to 18 years when disability pension becomes payable.

Benefit adjustment: Automatic adjustment of all pensions twice a year for changes in net minimum wages.

Death benefit: 100% of earnings up to daily maximum earnings of •159 for employed workers; 100% of earnings up to minimum wage (•1,206.60 a month) for unemployed workers, both payable for 1 month for the death of a disabled person; 100% of the old-age and survivor pension is payable for 1 month.

Administrative Organization

Board of Supervision of Social Insurance provides the general supervision of contributions and administers cash benefits.

Social Insurance Bank administers old-age and survivor pensions.

National Institute for Social Security collects contributions and implements the Disablement Benefits Act, the Self-Employment Benefits Act, and the Sickness Benefits Act.

National Revenue Department collects contributions for old-age and survivor pensions and for the disability pension for unemployed workers.

Sickness and Maternity

Regulatory Framework

First law: 1931.

Current laws: 1964 (medical benefits), 1966 (cash benefits for sickness and maternity for wage earners and salaried persons), 1968 (exceptional medical expenses compensation), and 1998 (cash benefits for maternity for unemployed workers).

Type of program: Social insurance system.

Coverage

Medical benefits: Wage earners and salaried employees earning less than •30,700 a year and pensioners. Subject to certain conditions, coverage is extended to partner and children.

Exceptional medical expenses: All residents.

Cash benefits: Sickness and maternity benefits for all wage earners and salaried employees. Effective March 1996, the Sickness Benefits Act is mostly privatized. Under the Civil Code, employers must continue the payment of 70% of wages (up to a maximum of •159.99 a day) during an employee's absence for sickness for a maximum of 52 weeks.

Maternity benefits for unemployed workers are payable for 16 weeks.

Source of Funds

Insured person: Flat-rate contribution set by the sickness fund, 1.7% of earnings for medical benefits, and 10.25% for exceptional medical expenses insurance.

The contribution for sickness and maternity benefits is included in the contribution for unemployment for employed workers, and the contribution for maternity benefits is included in the contribution for disability benefits for unemployed workers.

Employer: 6.25% of payroll for medical benefits. The contribution for sickness and maternity benefits is included in the contribution for unemployment for employed workers.

Government: Annually determined contribution toward the financing of medical benefits.

Maximum earnings for contribution purposes: Medical benefits, •108 a day; exceptional medical expenses, •21,860 a year; cash sickness benefit and maternity benefits for unemployed workers, •38,117 a year. Minimum earnings for contribution purposes: •13,159 a year.

Qualifying Conditions

Medical benefits: Registration with approved sickness fund.

Sickness benefit: Inability to perform own work.

Maternity benefit: Employed or unemployed person.

Sickness and Maternity Benefits

Sickness benefit: 70% of earnings up to the daily maximum earnings of •159.99. Benefit is payable for up to 52 weeks.

Maternity benefit: 100% of earnings up to the daily maximum of •159.99 a day is payable during pregnancy for a total of 16 weeks and may be extended up to 52 weeks in case of disability caused by the pregnancy or during childbirth.

Maternity benefit for unemployed workers: 100% of earnings with a maximum of the minimum wage (•1,066 a month), payable for a total of 16 weeks.

Workers' Medical Benefits

Service benefits provided by doctors, hospitals, and pharmacists under contract with, and paid directly by, sickness funds. Benefits include general and specialist care, hospitalization, laboratory services, medicines, limited dental care, maternity care, appliances, rehabilitation, and transportation.

Specific cost-sharing arrangements operate for long-term hospitalization, for artificial limbs, and transportation.

There is no limit on duration (except for physiotherapy).

Exceptional medical expenses insurance takes over the cost of hospital stay from the 366th day.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for insured person (above).

Maternity care: Partner and children of an insured man receive the same nursing or hospitalization benefit as that of an insured woman.

Death benefit: 100% of earnings up to the daily maximum of •159.99 a day. The benefit is payable for 1 month.

Administrative Organization

Board of Supervision of Social Insurance provides the general supervision of cash benefits.

National Institute for Social Security is responsible for collecting contributions for medical benefits and administering cash benefits for sickness and maternity.

National Revenue Department collects contributions for cash benefits for maternity on behalf of unemployed workers and for exceptional medical expenses insurance.

Supervisory Board for Health Care Insurance provides general supervision of medical benefits and exceptional medical expenses benefits.

Work Injury

Regulatory Framework

First law: 1901. The provisions of the 1966 and the 1968 legislation under the sickness and disability programs (see above) apply to all incapacities, whether work-related or not.

No specific work injury insurance since 1967.

Unemployment

Regulatory Framework

First law: 1949.

Current law: 1987.

Type of program: Dual social insurance and unemployment assistance systems.

Coverage

Employed persons. Special system for public employees.

Source of Funds

Insured person: Variable contribution rates according to industry (the average is 4.95% of earnings).

Employer: Variable contribution rates according to industry (the average is 3.60% of payroll).

Government: None.

The maximum earnings for contribution and benefit purposes are •159.99 a day.

Qualifying Conditions

Unemployment benefit: Employed for at least 26 weeks during the 39 weeks immediately prior to becoming unemployed for the basic benefit (6 months); for at least 52 days in 4 years of the 5 preceding years for the salary-related benefit. The duration of the salary-related benefit depends on a person's employment record, from 6 months up to 5 years.

Follow-up benefit: If unemployed after the salary-related benefit expires, a follow-up benefit provides for an additional 2 years. Periods spent caring for children under age 12 also count (fully or partially) toward the qualifying period.

Registered at the public labor exchange. The person must be capable of, available for, and looking for work.

Unemployment Benefits

The basic benefit is 70% of the minimum wage. The salary-related benefit is 70% of the last salary with daily maximum earnings of •159.99.

Follow-up benefit: 70% of the minimum wage.

Administrative Organization

Board of Supervision of Social Insurance provides general supervision.

National Institute for Social Security is responsible for collectioning contributions and administering the Disablement Benefits Act, the Unemployment Benefits Act, and the Sickness Benefits Act.

Social security agencies deliver benefits on a contractual basis.

Family Allowances

Regulatory Framework

First law: 1939.

Current law: 1963.

Type of program: Universal system.

Coverage

All insured persons with one child or more.

Source of Funds

Insured person: None.

Employer: None

Government: Total cost.

Qualifying Conditions

Family allowances

Child under age 16: The child must be a member of the insured's household. If the child is not a member of the household, the benefit may still be payable under certain conditions.

Children aged 16 and 17 years: School-going children must spend at least 213 full hours per quarter receiving instruction (excluding homework and traveling time). Children who do not meet this condition may also be regarded as school-going if they attend higher vocational or university training with a course load of at least 1,680 hours per school year or if they spend at least 1,600 hours per school year attending some other type of training. No benefit is payable for children who receive a student grant or loan under the Dutch Student Financing Act (WSF).

Unemployed children must be seeking work for at least 19 hours per week and be registered at a Work and Income Center. No child benefit is payable if the child spends more than 19 hours per week in employment or receives an unemployment benefit.

Children who are ill or handicapped must be unable to earn 55% or more of the normal earning capacity of healthy children in the same age group.

Family Allowance Benefits

Depending on the composition of the family, benefit rates range from •168.88 to •327.74 per child per quarter.

Benefit adjustment: Twice a year according to changes in the price index.

Administrative Organization

Board of Supervision of Social Insurance provides general supervision.

Social Insurance Bank administers allowances.

Norway

Exchange rate: U.S.\$1.00 equals 8.97 kroner.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1936.

Current law: 1997.

Type of program: Dual universal and social insurance systems.

Coverage

Universal pension: All residents, including resident alien seamen serving on Norwegian ships outside territorial waters. Pension income is independent of previous income or contributions paid.

Earnings-related pension: All employed and self-employed persons earning over base amount, born after 1897 (reduced amount for pensioners born before 1897 and their surviving dependents).

Base amount equals 51,360 kroner as of January 1, 2002, and varies automatically with changes in general price and income levels, subject to adjustment once or twice a year.

Special systems for seamen, fishermen, forestry workers, railway employees, and public employees.

Source of Funds

Insured person: For employed, 7.8% of income (reduced to 3.0% of income, including payments in kind, lodging, or pension, if under age 17 or over age 69); for self-employed, 10.7% of income up to 12 times the base amount, plus 7.8% of income exceeding 12 times the base amount.

Contributions from employed and self-employed persons are calculated on the basis of pensionable income (gross wage income including cash sickness, maternity, and unemployment benefits) in excess of 22,200 kroner a year; however, contributions may not exceed 25% of annual income above 22,200 kroner. No earnings limit for contribution purposes.

Employer: 14.1% of payroll. Contribution rates are reduced in certain geographic areas, except for enterprises in certain branches.

Government: National government meets any deficit.

All of the above contributions also finance sickness and maternity, work injury, and unemployment programs.

Qualifying Conditions

Universal old-age pension: The pensionable age is 67 years; 3 years' coverage, age 16 to age 66; payable abroad under

special conditions. Entitlement is not dependent on ceasing employment.

In the event that the insured continues to work at age 67, an earnings test is applied to the pension until the insured ceases to work or reaches age 70. The value of the pension is reduced by 40% of the wages exceeding twice the base amount.

Earnings-related old-age pension: The pensionable age is 67 years; 3 years' earnings above base amount; payable abroad. Entitlement is not dependent on ceasing employment.

In the event that the insured continues to work at age 67, an earnings test is applied to the pension until the insured ceases to work or reaches age 70. The value of the pension is reduced by 40% of the wages exceeding twice the base amount.

Universal disability pension: Three years' coverage immediately preceding claim (1 year in some instances); payable abroad under special conditions. Earning capacity is permanently reduced by 50% or more for persons aged 16 to 66.

Earnings-related disability pension: Three years' earnings above base amount; payable abroad. Earning capacity is permanently reduced by 50% or more for persons aged 16 to 66.

Universal survivor pension: Deceased has 3 years' coverage immediately preceding death or claim, and surviving spouse was married to deceased for 5 years or more or is caring for dependent child(ren).

Earnings-related survivor pension: Orphans under age 18, or full orphans under age 18 (under age 20, if a student).

Old-Age Benefits

Universal old-age pension: Up to 100% of base amount if single, 150% for aged couple. Full pension for 40 years' coverage, reduced for shorter coverage.

Income-tested supplement: 50% of pension for a spouse not drawing an old-age pension; 40% of base amount for each child under age 18; up to 79.33% of base amount if ineligible for earnings-related pension (79.33% if the spouse is a pensioner); 158.66% if supporting a spouse aged 60 or older.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding with adjustments of base amount.

Earnings-related old-age pension: 42% of the current base amount multiplied by the insured's average annual number of pension points in the 20 years with the most points. The number of pension points in a year equals the difference between the worker's earnings and the year's base amount divided by the base amount.

The maximum earnings for benefit purposes is 6 times base amount plus 1/3 of income between 6 times and 12 times base amount. Limit is 7.0 points per year.

Full pension with 20 years' coverage for persons born before 1917. Requirement increases year by year to 40 years for persons born later.

The pension is reduced proportionally for persons with shorter periods of coverage.

Earnings adjustment: Recorded earnings, wage limits, and pensions in force are adjusted automatically for changes in general price and income levels, corresponding with adjustments of the base amount.

Permanent Disability Benefits

Universal disability pension: Up to 100% of the base amount if totally disabled; 40 years of coverage for full pension; computed as if covered through the 66th year if certain coverage conditions are met.

Partial disability pension: Pension is reduced in proportion to the loss of earning capacity.

The minimum disability pension is 50% of projected old-age benefit.

Income-tested supplement: 50% of the pension for a spouse aged 60 or over; 30% of the base amount for each child under age 18; 533 kroner to 2,668 kroner a month for substantially increased expenses; up to 61.55% of the base amount if ineligible for the earnings-related pension.

Constant-attendance supplement: Normally, 888 kroner a month; may be increased to 5,730 kroner a month.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding with adjustments of the base amount.

Earnings-related disability pension: Same as for the earnings-related old-age pension (see above). Years of coverage are credited as if worked to age 67 if certain coverage conditions are met.

Earnings-related partial disability pension: The pension is reduced proportionally for persons with shorter periods of coverage.

Earnings adjustment: Recorded earnings, wage limits, and pensions in force are adjusted automatically for changes in general price and income levels, corresponding with adjustments of the base amount.

Survivor Benefits

Universal survivor pension: Up to 100% of base amount. Full pension if the deceased or the spouse has 40 years of coverage, with coverage projected through the 66th year.

If the surviving spouse's income exceeds 1/2 base amount, the pension equals the difference between the full pension and 40% of the excess of spouse's income above 1/2 the base amount.

Income-tested supplement: Up to 79.33% of the base amount if ineligible for earnings-related pension.

Child care benefit: If the survivor or parent is pursuing education or working outside the home and the annual income is lower than 410,880 kroner. If the annual income is below 308,160 kroner, the benefit equals 70% of the expenses for child care not exceeding 2,571 kroner a month for one child;

maximum of 3,801 kroner per month for three or more children. Benefit is reduced by 50% if the annual income is between 308,160 kroner and 410,880 kroner.

Earnings-related survivor pension: 55% of earnings-related pension of deceased as if worked to age 67.

Transitional grant: Surviving spouse is temporarily unable to work; divorced, separated, and unwed parents (including child care benefit).

Orphan's pension: 40% of the base amount for the first child, 25% for each additional child under age 18. Full orphans under age 18 (under 20 if student) receive the full survivor pension (basic plus earnings-related pension) of the parent who was entitled to the highest amount; 40% of base amount is paid for the second child and 25% for each additional child. Divided equally if two or more children.

Funeral grant: 4,000 kroner. An income-tested supplement can provide up to 8,250 kroner.

Benefit adjustment: Benefits are adjusted automatically for changes in general price and income levels, corresponding with adjustments of the base amount.

Administrative Organization

Ministry of Health and Social Affairs provides general supervision.

National Insurance Administration administers the program at the national and county levels.

National Insurance Administration county offices administer county programs and supervise local offices.

Local insurance offices administer program locally. Generally, contributions, including employers' contributions, are collected through local tax offices. There is normally one office in each municipality.

Sickness and Maternity

Regulatory Framework

First law: 1909.

Current law: 1997.

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Cash benefits: Employed and self-employed persons with income of not less than 1/2 the base amount. This income limit does not affect employer's obligation to pay cash benefits for first 16 calendar days.

Medical benefits: All residents, including resident alien seamen serving on Norwegian ships. Special provisions for seamen, military personnel, and (for cash benefits) fishermen, casual workers, and temporarily unemployed.

Source of Funds

Insured person: Contributions for sickness and maternity benefits are taken from the contributions made for Old Age, Disability, and Survivors (see above).

Employer: Contributions for sickness and maternity benefits are taken from the 14.1% of payroll contribution made for Old Age, Disability, and Survivors (see above). In addition, the employer pays the total cost of cash sickness benefits for the first 16 days.

Government: National government meets any deficit.

No maximum earnings for contribution purposes.

Qualifying Conditions

Cash sickness benefit: Fourteen days of employment or self-employment.

Cash maternity benefit: Six months of employment or self-employment during the past 10 months (mother, father, or both).

Maternity grant: Insured mothers who are not entitled to cash maternity benefits.

Additional grant: Widowed, divorced, separated, and unwed mothers with 3 years of insurance immediately preceding the claim.

Sickness and Maternity Benefits

Sickness benefit: 100% of covered earnings, payable from first full day of incapacity for up to 52 weeks; thereafter covered by rehabilitation allowance or disability pension.

The maximum earnings for benefit purposes are 6 times the base amount.

Self-employed persons receive 65% of assessed covered earnings after a 14-day waiting period (may voluntarily insure for 100% of earnings, a shorter waiting period or both).

Casual workers and temporarily unemployed, 65% of assessed earnings after 14-day waiting period.

Care leave: To care for a sick child under age 12: mother or father, 10 days per year each (single parent, 20 days); more than two children, 15 days each (single parent, 30 days); disabled or chronically ill children under age 18, 20 days each (single parent, 40 days). For sick child under age 16, if illness is potentially life-threatening, parental leave is up to 780 days.

Maternity benefit: 100% of covered earnings (self-employed, 65% of assessed earnings) for 42 weeks; alternatively 80% for 52 weeks to insured parents (mother or father). The mother is required to take 3 weeks of the benefit period prior to the expected date of birth and at least 6 weeks immediately after giving birth; 4 weeks of the total maternity cash benefit period are reserved for the father as the "Father Quota." Reduced work week may count as partial maternity benefit.

Maternity grant: 32,138 kroner if not receiving maternity benefit (also paid in case of adoption); giving birth at home, 1,765 kroner.

Workers' Medical Benefits

Cash refunds of part or all of medical expenses; or service benefits furnished by providers under contract with funds. Includes part of doctors' fees (patient pays 110 kroner per consultation in most cases); free care in public hospital; patient pays 36% of expenses for listed essential medicines (up to 330 kroner per prescription); laboratory services; and transportation in excess of 90 kroner per trip.

Patient's own expenses, including those for children aged 7 to 16, with certain exemptions for special diseases are limited to 1,350 kroner for 2002. Ceiling set by Parliament for 1 year at a time. When ceiling is reached, patient is entitled to free treatment for the remainder of the year.

Pensions are reduced from the second month of institutional care; sickness benefit, from the fourth month. There is no limit on duration.

Dependents' Medical Benefits

Insured in their own right since coverage is based on residency.

Administrative Organization

Ministry of Health and Social Affairs provides general supervision.

National Insurance Administration administers the program nationally and supervises local offices.

National Insurance Administration county offices administer county program and supervise local offices.

Local insurance offices administer the program locally.

Work Injury

Regulatory Framework

First law: 1894.

Current law: 1997.

Type of program: Social insurance system.

Coverage

Employed persons; personnel on Norwegian ships, fishing vessels, and permanent or movable installations on the Norwegian Continental Shelf (including aliens); students and military personnel.

Self-employed persons may insure voluntarily.

Source of Funds

Insured person: Employed, none; self-employed person, 0.4% of income, as assessed for national tax purposes.

Employer: Contributions for work injury benefit are taken from the 14.1% of payroll contribution made for Old Age, Disability, and Survivors (see above). Contribution rates are reduced in

certain geographic areas, except for enterprises in certain branches.

Government: National government meets any deficit.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Cash sickness benefit under the sickness program is also payable in case of work injury for up to 50 weeks. Thereafter, the insured becomes entitled to rehabilitation allowances or disability pension.

Permanent Disability Benefits

Permanent disability pension: 100% of the base amount if totally disabled. No reduction in pension if coverage is shorter than 40 years.

Partial disability pension (exceeding 15%): Percentage of full pension is proportionate to the degree of disability (a lump-sum payment is made if disability is less than 30%).

Supplements: Up to 100% of the base amount if totally disabled; 40 years of coverage for full pension; computed as if covered through the 66th year if certain coverage conditions are met.

Constant-attendance benefit: 900 kroner to 5,400 kroner a month, according to need. In addition to any other benefits, up to 75% of base amount a year based on medical nature and degree of injury.

Earnings-related disability pension: 42% of the current base amount multiplied by the insured's average annual number of pension points in the 20 years with the most points. The number of pension points in a year equals the difference between the worker's earnings and the year's base amount divided by the base amount. Years of coverage are credited as if worked to age 67 if certain coverage conditions are met.

The maximum earnings for benefit purposes is 6 times base amount plus 1/3 of income between 6 times and 12 times base amount. Limit is 7.0 points per year.

Full pension with 20 years' coverage for persons born before 1917. Requirement increases year by year to 40 years for persons born later.

The pension is reduced proportionally for persons with shorter periods of coverage.

Earnings adjustment: Recorded earnings, wage limits, and pensions in force are adjusted automatically for changes in general price and income levels, corresponding with adjustments of the base amount.

Workers' Medical Benefits

Comprehensive care, including appliances; no sharing of cost by patient.

Survivor Benefits

Survivor pension: Same as the universal survivor pension under survivors benefits in Old Age, Disability, and Survivors (see above).

Orphan's pension: Same as the orphan's pension under survivor benefits in Old Age, Disability, and Survivors (see above).

Administrative Organization

Ministry of Health and Social Affairs provides general supervision.

National Insurance Administration administers the program nationally and supervises local offices.

National Insurance Administration county offices administer county programs and supervise local offices.

Local insurance offices administer the program locally.

Unemployment

Regulatory Framework

First law: 1906.

Current law: 1970.

Type of program: Social insurance system.

Coverage

Employed persons (including public employees) and seamen; self-employed aged 64 or older, only under special circumstances.

Source of Funds

Insured person: Contributions for unemployment benefit are taken from the contributions made for Old Age, Disability, and Survivors (see above).

Employer: Contributions for unemployment benefit are taken from the 14.1% of payroll contribution made for Old Age, Disability, and Survivors (see above). Contribution rates are reduced in certain geographic areas, except for enterprises in certain branches.

Government: National government meets any deficit.

No maximum earnings for contribution purposes.

Qualifying Conditions

Unemployment benefit: Annual earnings in last year preceding unemployment (or average earnings during 3 years preceding unemployment, if higher) of at least 75% of base amount at time of application. Registered at public employment office, able and willing to work. Unemployment is not due to voluntary leaving, discharge for misconduct, participation in labor dispute, or refusal of suitable offer or retraining (disqualification for at least 4 weeks).

Unemployment Benefits

0.2% of annual income a day up to 6 times the base amount; maximum is 745 kroner daily, plus 17 kroner a day for each dependent child under age 18. Payable after 3-day waiting period. Benefits paid for up to 78 weeks if annual income before unemployment is less than is 90,740 kroner; 156 weeks if income is 90,740 kroner or more.

Administrative Organization

Ministry of Labor and Municipal Affairs provides general supervision.

Directorate of Labor administers the program nationally, and benefits are payable through local insurance offices.

Local employment offices administer the program locally.

Family Allowances

Regulatory Framework

First and current law: 1946.

Type of program: Universal system.

Coverage

All resident children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Child must be under age 18.

Family Allowance Benefits

An award of 11,664 kroner a year for each child. In addition, an annual supplement of 7,884 kroner per child between ages 1 and 3. Single parents receive benefits for one child more than is actually supported. Beneficiaries living in the Arctic region receive an annual supplement of 3,792 kroner per child. The allowance is payable monthly.

Administrative Organization

Ministry of Health and Social Affairs provides general supervision.

National Insurance Administration administers the program nationally and supervises local offices.

National Insurance Administration county offices administer the county programs and supervise local offices.

Local insurance offices administer allowances locally.

Poland

Exchange rate: U.S.\$1.00 equals 3.96 zlotys.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1927 (salaried employees) and 1933 (wage earners).

Current law: 1998 (implemented in 1999).

Type of program: Dual social insurance system and mandatory private insurance.

Note: A new system consisting of a modified social insurance first pillar (notional defined contributions, NDC) plus a second pillar consisting of individual accounts was implemented in April 1999. Persons under age 30 must join the new system. Those older than 30 but younger than 50 may choose to remain in the old system. Those born before January 1, 1949, must remain in the old system.

Coverage

Employees, members of cooperatives, self-employed artisans, home-workers, attorneys, and clergy.

There are special systems for independent farmers.

Source of Funds

Insured person: 9.76% of current gross salary for the old-age pensions (2.46%, first pillar; 7.3%, second pillar) and 6.5% for the disability and survivors pensions.

Employer: 9.76% of gross payroll for the old-age pensions (9.76%, first pillar; 0% second pillar) and 6.5% for the disability and survivors pensions.

Government: Government funds guarantee a minimum pension.

Qualifying Conditions

Old-age pension: Age 65 (men) or 60 (women) and insured for 25 years (men) or 20 years (women). The age requirement is reduced for dancers, acrobats, miners, underground or unhealthy work, teaching, aviation, and maritime employment.

Partial retirement due to insufficient contribution periods is calculated when the retirement age is reached.

Pensionable age is reduced by 5 years for women with 30 years of insurance, for war veterans, and for the disabled.

Disability pension: Total disability (incapacity for any work) or partial disability (greatly impaired earning capacity or total incapacity for usual work) and 5 years of employment during the last 10 years (1 to 4 years if under age 30) or if disability occurred while employed or within 18 months of cessation of work.

Survivor pension: Deceased was a pensioner or met the employment requirement for disability or old-age pension at the time of death.

Old-Age Benefits

Old system

Old-age pension: 24% of average national salary; 1.3% of the worker's earnings base times the number of contribution years; and 0.7% of the worker's earnings base times the number of credit years (for example, for years spent rearing children). Credit years may not exceed 1/3 of contribution years.

The average national salary in 2001 was 2,061.85 zlotys. The earnings base for pension purposes equates to the average monthly earnings from 10 consecutive years chosen by the applicant from among 19 years prior to the year of the pension application or from 20 years of the applicant's professional career.

Maximum earnings for benefit purposes are 250% of the average national salary (June 1999).

The minimum pension is 530.26 zlotys a month (June 2001).

Constant-attendance supplement: 135.96 zlotys a month (June 2001).

Benefit adjustment: Automatic adjustment of pensions to compensate for inflation (or according to average national salary increase if higher than 10% over a 3-month period).

New system

Old-age pension: The basis of the pension calculation is the total of contributions paid to the old-age insurance scheme taking into account the current valuation of the contributions, divided by average life expectancy.

Individual accounts: The insured purchase an annuity with funds from their individual account.

Permanent Disability Benefits

Disability pension (old and new system): In the case of total disability, the benefit is calculated as 24% of the average national salary; 1.3% of the worker's earning-base times the number of contribution years; and 0.7% of the worker's earning-base times the number of credit years. Credit years may not exceed 1/3 of contribution years.

The average national salary in 2001 is 2,061.85 zlotys. The earning-base for pension purposes equates to the average monthly earnings from 10 consecutive years chosen by the applicant from among 19 years prior to the year of the pension application or from 20 years of the applicant's professional career.

Maximum earnings for benefit purposes equate to 250% of the average national salary (June 1999).

The monthly minimum pension for total disability is 530.26 zlotys (June 2001).

Partial disability pension: 75% of the amount of total disability pension.

The monthly minimum pension for partial disability is 407.88 zlotys (June 2001).

Constant-attendance supplement: 135.96 zlotys a month (June 2001).

Survivor Benefits

Survivor benefit (old system): The total value of benefit entitlement varies with the number of survivors. One survivor receives 85% of the value of the pension due to the deceased; two survivors receive 90%; three or more survivors receive 95%. If the deceased was not eligible for the old-age pension, then the criteria for the total disability pension forms the basis for the assessment of the survivor pension.

Supplement for full orphans: 255.55 zlotys a month (June 2001).

Funeral grant: 4,305.98 zlotys (May 2002).

Minimum pension: 530.26 zlotys a month (June 2001).

Survivor benefit (new system): Entitlement depends on the type of annuity purchased by the insured.

Administrative Organization

Old system: Under the general supervision of the Ministry of Labor and Social Policy.

The system for farmers is under the general supervision of the Ministry of Agriculture.

Social Insurance Institute (ZUS) administers the program through 51 branch offices.

The Institute and branch offices are supervised by boards composed of 15 members, including 5 insured representatives, 5 employer representatives, and 5 government representatives.

Agricultural Social Security Fund administers the program for farmers.

New system: Social Insurance Institute (ZUS) administers the program.

Pension fund supervision office (UNFE) oversees all private pension funds.

Sickness and Maternity

Regulatory Framework

First law: 1920.

Current laws: 1974 and 1998 (implemented in 1999).

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Employees, members of farmers' cooperatives, artisans, those connected with agricultural circles, self-employed artisans, attorneys, and home-workers. Pensioners and some groups of self-employed persons, including farmers, are covered for medical benefits only.

Special systems for farmers, the military, and the police.

Source of Funds

Insured person: 10.20% of earnings (2.45% for cash sickness and 7.75% for medical benefits).

Employer: None.

Government: Subsidies for medical benefits.

Qualifying Conditions

Cash sickness and maternity benefits: Currently in insured employment.

Medical benefits: Currently in insured employment or a pensioner.

Sickness and Maternity Benefits

Sickness benefit: Entitlement equates to 80% of earnings averaged over the preceding 6 months. If the incapacity arises during pregnancy or continues beyond 90 days, the entitlement equates to 100% of earnings. Benefit is payable from the first day of incapacity for up to 26 weeks (may be extended to 39 weeks if recovery is likely). If recovery is likely, entitlement to sickness benefit may be followed by entitlement to rehabilitation benefit for up to 12 months and is payable at 75% of earnings. The employer pays the first 35 days.

Maternity benefit: Entitlement equates to 100% of earnings and is payable for 16 weeks for the birth of the first child and 18 weeks for all subsequent births. For multiple births, benefit is payable for 26 weeks. Maternity benefit is followed by maternity leave of 24 months (36 months for lone-parent) to 72 months (if child is disabled). Payment of maternity leave is set at 308.80 zlotys per month (491.00 zlotys for lone-parent). The benefit is adjusted every 3 months.

Workers' Medical Benefits

Medical services are provided directly to patients by private health care providers contracted by health care funds. Services include general and specialist care, hospitalization, and basic prescription drugs. Government provides a partial subsidy for basic prescription drugs. Patients are free to choose doctor and hospital.

There is no limit on duration if employed. If employment ceases, 26 weeks (may be extended to 39 weeks).

Dependents' Medical Benefits

Medical services are provided directly to patients by private health care providers contracted by health care funds. Services include general and specialist care, hospitalization, and basic prescription drugs. Government provides a partial subsidy for basic prescription drugs. Patients are free to choose doctor and hospital.

There is no limit on duration if employed. If employment ceases, 26 weeks (may be extended to 39 weeks).

Administrative Organization

Ministry of Labor and Social Policy handles general supervision of cash benefits.

Social Insurance Institute administers cash benefits.

Employers of more than 20 workers pay benefits to own workers and deduct from contributions due.

Ministry of Health and Social Assistance handles general supervision of medical care.

Regional health fund councils operate and finance individual health care funds.

Work Injury

Regulatory Framework

First law: 1984.

Current laws: 1975 and 1991.

Type of program: Social insurance system.

Coverage

Employees, collective farmers, members of cooperatives for artisans and cooperatives connected with agricultural circles, self-employed artisans, attorneys, and home-workers.

Special systems for individual farmers, the military, and the police.

Source of Funds

Insured person: None.

Employer: 1.62% of payroll.

Government: Total cost of medical care.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

100% of earnings. Payable from first day of incapacity for up to 26 weeks (may be extended to 39 weeks).

Permanent Disability Benefits

Permanent disability benefit: In the case of total disability, the benefit is calculated as 24% of the average national salary; 1.3% of the worker's earning-base times the number of contribution years; and 0.7% of the worker's earning-base times the number of credit years. Credit years may not exceed 1/3 of contribution years.

The average national salary in 2001 is 2,061.85 zlotys. The earning-base for pension purposes equates to the average monthly earnings from 10 consecutive years chosen by the applicant from among 19 years prior to the year of the pension

application or from 20 years of the applicant's professional career.

Maximum earnings for benefit purposes equate to 250% of the average national salary (June 1999). The basis for assessment cannot be lower than 80% of individual average monthly earnings.

Constant-attendance supplement: 135.96 zlotys a month (June 2001).

Partial disability benefit: 75% of the amount of total disability pension but not less than 60% of assessed earnings.

Minimum pension: 120% of the minimum disability pension of 530.26 zlotys (June 2001).

Survivor Benefits

One survivor receives 85% of the benefit calculated as a work injury disability pension (total disability) payable to an insured person who died; two survivors, 90%; three or more survivors, 95%.

Administrative Organization

Under the general supervision of the Ministry of Labor and Social Policy.

Social Insurance Institute administers cash benefits.

Ministry of Health and Social Welfare provides medical benefits through its own clinics and hospitals.

Agricultural Social Security Fund administers system for farmers.

Unemployment

Regulatory Framework

First law: 1924.

Current laws: 1991 and 1994.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: None.

Employer: 3% of payroll.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Registered with the employment bureau. Must have 180 days of employment in the past year or have completed education, been newly released from the military, have completed maternity leave, or been released from prison.

Unemployment Benefits

Base amount (476.70 zlotys since September 2001) for those with between 5 and 20 years of employment; 80% of base amount if less than 5 years; 120% of base amount for more than 20 years. Payable for 6 to 18 months, depending on the unemployment rate in the region.

Administrative Organization

Ministry of Labor and Social Policy provides general supervision.

Voivodships (provinces) and local labor bureaus keep registry of unemployed and work possibilities and pay benefits.

The Institute of Social Security collects payroll contributions from enterprises.

Family Allowances

Regulatory Framework

First law: 1947.

Current law: 1994.

Type of program: Universal means-tested.

Coverage

All residents.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Child must be under age 16 (20 if student). There is no limit if totally disabled.

Dependent spouse's allowance: Wife over age 60 or disabled or caring for disabled child; husband over age 65 or disabled caring for disabled child. Income per person must be less than 50% of national average salary during previous trimester.

Family Allowance Benefits

Family allowances: 41.20 zlotys a month for eligible spouse and for first and second child; 51.00 zlotys for third child; 63.70 zlotys for subsequent children.

Sick child's constant-attendance allowance: 135.96 zlotys a month (June 2001).

Administrative Organization

Ministry of Labor and Social Policy provides general supervision.

Ministry of Agriculture provides general supervision of the system for farmers.

Social Insurance Institute administers program through its 51 branch offices.

The Institute and branch offices are supervised by boards composed of 15 members, including 5 insured representatives, 5 employer representatives, and 5 government representatives.

Agricultural Social Security Fund administers program for farmers.

Portugal

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1935 (1919 legislation never implemented).

Current laws: 1980 (social pensions for noncontributors), 1985 (integrated agricultural workers into general system), 1989 (voluntary insurance), 1993 and 1999 (wage-linked pensions), 1999 (early pension), and 1999 (minimum pension).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons. Special systems for miners, longshoremen, railway workers, fishermen, and merchant seamen.

Voluntary coverage available to persons not covered by any other contributory program.

Social pension: All persons not covered under a contributory pension program.

Special systems will gradually be unified with the general system.

Source of Funds

Insured person: 11% of earnings. Self-employed, 25.4% of earnings for mandatory coverage or 32% for voluntary coverage; may base contributions on one to eleven times the national minimum wage (•348).

Employer: 23.75% of payroll. The contribution includes 0.5% to cover employment-related illness.

The combined insured person and employer contribution is divided among the different branches as follows: old age, 16.01%; disability, 3.42%; survivors, 3.67%; sickness, 3.05%; maternity, 0.73%; work injury (employment-related illness only), 0.50%; unemployment, 5.22%; and family allowances, 2.15%.

Government: Subsidy for the social pension and for health care.

Qualifying Conditions

Old-age pension: Age 65 (men and women) and 15 years of contributions with 120 days of registered pay per year. The pension is payable at age 60 if unemployment benefit has been depleted. The pension is payable abroad.

Early retirement is possible at age 55.

Deferred retirement is permitted at age 65. Retirement from covered employment is necessary at age 70.

Special retirement age: Age 50 (miners) and age 55 (longshoremen, fishermen, and merchant seamen).

Disability pension: Loss of 2/3 of earning capacity; 60 months of contributions. The pension is payable abroad.

Survivor pension: The deceased met pension requirements or was a pensioner at the time of death. The pension is payable abroad.

Social pension: Age 65 (age 18 or older if disabled). No coverage under any contributory social security program. Monthly income may not exceed 30% of the national minimum wage for a single person; 50% for a couple. The pension is not payable abroad, except if specified in a reciprocal agreement.

Old-Age Benefits

Old-age pension: 2% of average annual earnings for the best 10 years out of the last 15 years multiplied by the total number of years of insurance.

A new method of calculating pensions is being introduced gradually and progressively from 2002 until 2017. For those with less than 21 years of contributions, 2% for each year of contribution, applied to the average adjusted lifetime salary; for those with 21 years or more of contributions, 2.00% to 2.35% (according to base salary scale) for each year of contribution, applied to the average adjusted lifetime salary. Contribution years accounted for must not exceed 40. For a transitional period only, this new method will be applied in cases favorable to the insured.

The minimum pension is 30% of average earnings or a minimum fixed amount (between •189.54 and •348 a month) depending on the number of contributions, whichever is higher.

The maximum pension is 80% of average earnings.

Schedule of payments: Fourteen monthly payments, with the 13th payment each Christmas and the 14th payment each July.

Benefit adjustment: According to changes in the annual cost of living.

Social pension (income-tested): •138.27 a month.

Constant-attendance supplement: 50% or 90% of the social pension for the general scheme according to degree of dependence; 45% or 85% for the noncontributory scheme.

Extraordinary complementary allowance: For those receiving the noncontributory pension, an allowance of •13.17 if aged 69 or younger; •26.34 if aged 70 or older.

Permanent Disability Benefits

Disability pension: See old-age pension, above.

Minimum pension: See old-age pension, above.

Schedule of payments: Fourteen monthly payments, with the 13th payment each Christmas and the 14th payment each July.

Benefit adjustment: According to changes in the annual cost of living.

Social pension (income-tested): •138.27 a month.

Constant-attendance supplement: See old-age pension, above.

Extraordinary complementary allowance: See old-age pension, above.

Survivor Benefits

Survivor pension: 60% of the pension of the insured. The pension is limited to 5 years unless the widow(er) is over age 35, disabled, or caring for a child. Paid to a widow or widower.

Orphan's pension: 20% of the insured's pension for one orphan, 30% for two orphans, and 40% for three or more orphans under age 18 (age 25 if a student, no limit if disabled); for full orphans the pension is 40%, 60%, or 80% according to whether there are one, two, or three beneficiaries, respectively.

Other eligible survivors (in absence of above): Parents or grandparents. Combined pensions total 30%, 50%, or 80% of the insured's pension, according to whether there are one, two, or three beneficiaries, respectively.

Maximum survivor pension: 100% of the pension of the insured.

Schedule of payments: Fourteen monthly payments, with the 13th payment each Christmas and the 14th payment each July.

Death grant: An amount equal to six times the average monthly earnings during the best 2 years of the last 5 years.

Widow's social pension (income-tested): 60% of the normal social pension.

Orphan's social pension: Combined benefit is 20%, 30%, or 40% of the normal social pension for one, two, or three orphans, respectively.

Administrative Organization

Ministry of Labour and Solidarity provides general supervision through the State Secretariat of Solidarity and Social Security.

Solidarity and Social Security Institute administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1935 (1919 legislation not implemented).

Current laws: 1988 and 1990 (sickness); 1988, 1995, and 1998 (maternity); 1999 and 2000 (paternity and adoption).

Type of program: Social insurance system (cash benefits) and universal system (medical benefits).

Coverage

Medical benefits: All resident citizens and foreign residents whose countries have reciprocal agreements with Portugal.

Cash sickness benefits: Employed persons. Self-employed persons have voluntary coverage.

Cash maternity, paternity, and adoption benefits: Employed and self-employed persons.

Voluntary insurance available to certain categories of persons not covered by any other contributory program.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Cash sickness benefit: Six months of insurance, including 12 days of contributions in the 4 months prior to the onset of illness.

Maternity, paternity, and adoption cash benefits: Six months of insurance.

Sickness and Maternity Benefits

Sickness benefit: 65% of earnings in the 6 months preceding the 2 months prior to the month during which illness began (80% to 100% if hospitalized for tuberculosis). Benefit rises to 70% of earnings in cases of long-term illness (at least 365 days). Benefit is payable after a 3-day waiting period (waived if hospitalized or postpartum) for up to 1,095 days (no limit for cases of tuberculosis).

The minimum sickness benefit is 30% of the minimum wage.

Maternity benefit: 100% of average earnings during the 6 months preceding the 2 months prior to childbirth, payable 120 days before the expected date of childbirth and 90 days after childbirth.

The minimum maternity benefit is 50% of the minimum wage.

Paternity benefit: 100% of average earnings calculated as per sickness benefit, payable for the first 5 days following the birth of a child.

The minimum paternity benefit is 50% of the minimum wage.

Adoption benefit: As for paternity benefit, payable for the first 100 days following the adoption of child under 15 years of age.

The minimum adoption benefit is 50% of the minimum wage.

Parental leave benefit: As for paternity benefit, payable to the father during the first 15 days of parental leave, but only if preceded by paternity or maternity leave. The parental leave period is recognized for the purpose of calculating disability and old-age pensions.

Special leave benefit for grandparents: 100% of the average salary. Benefit is payable for 30 days following the birth of a child if the parent of the newborn child is a minor and living in the family home. Exclusion: self-employed persons.

Allowances for handicapped or sick child: 65% of the average salary calculated as per sickness benefits, above. The

allowance is payable for a maximum of 30 days per year for each child under age 10, or without limit in cases of hospitalization; in cases of serious handicap or chronic sickness, and while the child is under age 12, the covered period can be from 6 months to 4 years.

Special maternity allowance: 65% of the average salary calculated as per sickness benefit, above. Payable for night-work or for work involving exposure to dangerous substances.

Workers' Medical Benefits

Medical services are provided directly to patients by health centers and hospitals. Benefits include general and specialist care, maternity care, hospitalization, surgery, and listed medicines. Services are provided as needed and are based on some patient participation. There is no limit to duration.

Dependents' Medical Benefits

Same as for insured worker (see above).

Administrative Organization

Ministry of Labour and Solidarity, through the State Secretariat of Solidarity and Social Security, provides general supervision.

Regional Social Security Centers administers the program for cash benefits.

Regional Health Administration administers the program for medical benefits.

Work Injury

Regulatory Framework

First law: 1913.

Current laws: 1965, 1971, and 1992.

Type of program: Employer must purchase liability insurance for work injury with a private carrier.

Employment-related illness: Social insurance system.

Coverage

Employed persons; self-employed persons have voluntary coverage.

Source of Funds

Insured person: None.

Employer: Premiums for work injury vary according to the assessed degree of risk. Contributes 0.5% of payroll for employment-related illness (see Old Age, Disability, and Survivors, above).

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Employment-related illnesses are assessed according to the degree of risk exposure based on official tables.

Temporary Disability Benefits

70% of the basic wage during the first 12 months and 75% thereafter. Benefit is payable until recovery or until determination of permanent total disability.

Temporary partial disability benefit: Temporary partial disability is compensated at the rate of 70% of lost earning capacity.

Permanent Disability Benefits

Permanent disability pension: In cases of total incapacity for work in the usual profession, the pension is between 50% and 70% of basic earnings according to residual earning capacity. In cases of total incapacity for all work, the pension is 80% of basic earnings plus 10% for each dependent up to the limit of 100%.

Permanent partial disability pension: 70% of lost earning capacity if the incapacity is more than 30%; if the incapacity is less than 30%, a sum equal to 70% of lost earning capacity is paid annually.

Survivor Benefits

Survivor pension: 30% of covered earnings to the spouse; 40% if the widow is aged 65 or disabled.

Orphan's pension: 20% of covered earnings for one orphan, 40% for two orphans, or 50% for three or more orphans under age 18 (age 25 if a student). Full orphans receive double benefits totaling no more than 80% of the salary of the deceased.

Funeral grant: Expenditure is limited to four times the monthly minimum wage; the limit is doubled if the body must be transported.

Death allowance: Twelve times the monthly minimum wage allocated on the basis of 50% for the spouse and 50% for the children, or 100% in cases of one dependent survivor only.

Administrative Organization

Ministry of Finance provides general supervision.

Insurance companies manage work accident insurance policies.

Ministry of Labor and Solidarity provides general supervision through the Secretary of State for Solidarity and Social Security.

National Occupational Disease Insurance Fund administers the occupational disease program.

Unemployment

Regulatory Framework

First law: 1975.

Current law: 1999.

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

Coverage

Employed persons and first-time jobseekers.

Exclusions: Self-employed persons, domestic employees, and temporary and occasional employees.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Unemployment benefit: 540 days of earnings in the 24 months prior to unemployment. Registration at an employment office is required. Capable of, and available for, work. Involuntarily unemployed.

Social assistance unemployment benefit (income-tested): 180 days of earnings in the 12 months prior to unemployment or a first-time jobseeker. Registration at an employment office is required. Capable of, and available for, work. Involuntarily unemployed.

Unemployment Benefits

Unemployment benefit: 65% of average earnings.

The minimum benefit is the value of the minimum wage.

The maximum benefit is three times the minimum wage.

The duration of entitlement is calculated according to the age of the insured. For individuals up to age 30, 12 months; between ages 31 and 40, 18 months; between ages 41 and 45, 24 months; older than age 45, 30 months.

Social assistance unemployment benefit: 80% of the minimum wage if single; 100% if claimant has dependents.

The duration of entitlement is calculated according to the age of the insured. For individuals up to age 30, 12 months; between age 31 and age 40, 18 months; between ages 41 and age 45, 24 months; older than age 45, 30 months.

Partial unemployment benefit: For insured persons in part-time employment whose income is lower than the value of the unemployment benefit and who work more than 20% but less than 75% of the normal work week. Benefit is equal to the difference between 1.25 times the unemployment benefit and the value of part-time work earnings.

The duration of the benefit corresponds to the period of unemployment benefit that would otherwise have been awarded if fully unemployed.

For insured persons age 55 and over, the unemployment benefit is paid until age 60 when the unemployment benefit is converted to the old-age pension.

Administrative Organization

Ministry of Labour and Solidarity provides general supervision through the State Secretariat for Solidarity and Social Security.

Solidarity and Social Security Institute administers the program.

Family Allowances

Regulatory Framework

First law: 1942.

Current laws: 1980, 1997, 1999, and 2001.

Type of program: Employment-related system.

Coverage

Employed persons, the unemployed, and pensioners.

Voluntary insurance is available to certain categories of employed persons not covered by any other contributory program.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: None.

Qualifying Conditions

Family allowances: Child must be under age 16 (age 25 if a student or if handicapped).

Family Allowance Benefits

Family allowances: Allowances are calculated on the basis of four levels of family income assessed in relation to the national minimum wage.

First income level (family income equal to or lower than 1.5 times the national minimum wage): Children up to 12 months of age, •87.29 a month for each of the first two children and •131.03 for the third and each additional child; children over 12 months of age, •26.24 a month for each of the first two children and •39.36 for the third and each additional child.

Second income level (family income higher than 1.5 times the national minimum wage and lower than or equal to four times that wage): Children up to 12 months of age, •76.22 a month

for each of the first two children and •110.53 for the third and each additional child; children over 12 months of age, •20.45 a month for each of the first two children and •29.98 for the third and each additional child.

Third income level (family income higher than four times the national minimum wage and lower than or equal to eight times that wage): Children up to 12 months of age, •65.19 a month for each of the first two children and •87.64 for the third and each additional child; children over 12 months of age, •17.51 a month for each of the first two children and •23.74 for the third and each additional child.

Fourth income level (family income higher than eight times the national minimum wage): Children up to 12 months of age, •40.35 a month for each of the first two children and •52.52 for the third and each additional child; children over 12 months of age, •15.41 a month for each of the first two children and •20.05 for the third and each additional child.

Special supplements for each disabled child: •48.83 a month if under age 14; •71.13 if between ages 14 and 18; and •95.22 if between ages 18 and 24.

Special education allowance: A variable amount payable on behalf of a descendant of an insured person, if the descendant is under age 24 and attending school in a special educational establishment or receiving other special educational assistance.

Extraordinary complementary allowance: In addition to special education allowance, •13.17 if the insured person is less than 70 years of age, •26.34 if more than 70 years.

Constant-attendance supplement: •69.13 a month.

Monthly allowance: •138.27 a month for life.

Funeral grant: •180.02.

Administrative Organization

Ministry of Labour and Solidarity provides general supervision through the State Secretariat for Solidarity and Social Security.

Solidarity and Social Security Institute administers the program.

Romania

Exchange rate: U.S.\$1.00 equals 31,740 lei.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1912.

Current law: 2000.

Type of program: Social insurance system.

Coverage

Employed persons with individual labor contracts; public officials; nominated officials within the executive, legislative, and judicial authorities; craft cooperative members; persons receiving unemployment benefits; and workers or farmers earning at least the equivalent of three times the minimum wage.

Voluntary coverage for persons wishing additional coverage for the noninsured part of their income (insured income is limited to three times the minimum wage) or for those not covered by a mandatory scheme.

Special systems for lawyers and other professional categories, including military personnel and the clergy.

Source of Funds

Insured person: All the insured pay one-third of the contribution rate that applies to legally defined normal working conditions (35%).

Employer: Employers pay the remainder of the applied contribution rate after deducting the insured person's contribution. The applied contribution rate for employers varies depending on working conditions: 35% for normal conditions, 40% for arduous conditions, and 45% for very arduous conditions.

The employer contributions also finance cash sickness, maternity, work injury, and occupational disease benefits.

Government: Any deficit.

Maximum earnings for contribution and benefit purposes is limited to three times the minimum wage.

Qualifying Conditions

Old-age pension: Age 65 (men) or age 60 (women). At least 15 years of contributions (or deemed contributions).

There are lower age requirements for those engaged in arduous or dangerous work, handicapped persons, the visually impaired, and persons who were imprisoned because of their political beliefs.

Early retirement from age 55 for persons whose contribution record exceeds the full career contribution record (35 years for

men or 30 years for women) by at least 10 years. Partial early retirement from age 55 if the full career contribution record is exceeded by less than 10 years.

Disability pension: In addition to insured persons, a pension may be received by school pupils, apprentices, students, military conscripts, and the victims of revolutionary events. Persons suffering a loss of at least 50% in work capacity due to accidents (including work accidents), diseases (including occupational diseases), or revolutionary events. For school pupils, apprentices, and students, only those disabilities resulting from work are covered. For the victims of revolutionary events, coverage is extended only to those with a previous record of contributions. Prior contribution conditions vary according to the age at which disability occurred. No prior contribution conditions apply if the incapacity is caused by a work accident, an occupational disease, or tuberculosis.

Survivor pension: Insured met pension requirements or was a pensioner at the time of death.

Eligible survivors: Widows who fulfill certain conditions relating to age and the duration of marriage or are disabled; children aged 16 or under (up to age 26 if student, depending on the duration of studies). No prior condition is required if the death of the insured was caused by a work accident, occupational disease, or tuberculosis. A limited benefit entitlement is paid for 6 months to a low-income uninsured spouse raising a child under 7 years old who does not meet requirements for age and duration of marriage.

Old-Age Benefits

Old-age pension: The benefit is calculated as the lifetime accumulated number of points multiplied by the point value in force at the moment of retirement (fixed by the annual budget law). The number of points obtained during 1 year is equal to the average insured monthly salary divided by the monthly mean minimum wage. The obtained lifetime number of points cannot exceed the total number of points corresponding to a full career equal to 35 years (men) or 30 years (women). An early retirement pension is possible.

Partial early retirement pension: Deemed contribution periods are not considered, and the pension amount is proportionately reduced.

Benefit adjustment: Adjusted according to inflation.

Permanent Disability Benefits

Disability pension: 40% to 75% of the presumptive entitlement to an old-age pension (calculated as the lifetime accumulated number of points multiplied by the point value in force at the moment of retirement; see old-age pension, above), according to three degrees of disability.

Constant-attendance supplement: A fixed lump sum in cases of first-degree incapacity.

Benefit adjustment: Adjusted according to inflation.

Survivor Benefits

Survivor pension: One survivor is entitled to an award of 50% of the old-age pension paid or payable to the insured or, if the deceased was ineligible for the old-age pension, 50% of the first-degree disability pension; two survivors, 75% of insured's pension; three or more survivors, 100% of insured's pension; full orphans, sum of survivor pension for each parent.

Benefit adjustment: Adjusted according to inflation.

Funeral grant: Awarded on the death of the insured or insured's dependent. For the death of a dependent, the grant is reduced by 50%.

Administrative Organization

Ministry of Labor and Social Solidarity is responsible for general supervision and for policy development.

National Pension and Social Insurance Fund with regional pension funds administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 2000.

Type of program: Social insurance system.

Coverage

Cash benefits: Employed persons with individual labor contracts; public officials; nominated officials within the executive, legislative, and judicial authorities; craft cooperative members; persons receiving unemployment benefits; and, under certain conditions, workers or farmers earning at least the equivalent of three times the minimum wage.

Voluntary coverage is permitted for persons who want additional coverage for the noninsured part of their income (the insured income is up to the limit of three times the minimum wage) or for those not covered by a mandatory scheme.

Special systems for lawyers and other professional categories, including military personnel and the clergy.

Medical care: All residents, including permanent foreign nationals.

Voluntary coverage is permitted for temporary residents and for diplomatic staff.

Source of Funds

Insured person

Cash benefits: None

Medical benefits: 7% of income.

Employer

Cash benefits: A portion of the adjusted 35%, 40%, or 45%

payroll contribution paid under Old Age, Disability, and Survivors (see above). Under certain conditions, the employer pays sickness benefit directly to the employee when the period of absence from work due to sickness is less than 90 days.

Medical benefits: 7% of payroll.

Government: Subsidies for medical care.

Qualifying Conditions

Cash benefits: Six months of contributions during the 12 months preceding the onset of sickness, 12 months of contributions during the last 24 months for insured persons working under fixed-term work contracts, or with declared income at least equal to the ceiling for insurable income; no prior conditions in cases of emergency surgery or on being diagnosed with tuberculosis, certain contagious diseases, an occupational disease, or on having been injured at work.

Medical benefits: No minimum qualifying period.

Sickness and Maternity Benefits

Sickness cash benefit: 75% of the mean salary during the 6 months preceding the onset of sickness (100% for some low-income groups) payable up to a maximum of 180 days a year (may be extended in some cases). If the medical condition continues beyond 180 days, the award can be converted to disability benefit.

Benefit adjustment: Benefits paid out for more than 90 days are adjusted according to inflation.

Illness prevention and rehabilitation for work benefit: A two-part benefit including temporary rehabilitation through a placement in an alternative place of work and a cash benefit to replace a part of lost earnings resulting from a reduction in working hours. The value of each benefit component must not exceed 25% of the basis salary (mean salary during the 6 months preceding the onset of sickness). Benefits are payable for a maximum period of 90 days a year. A benefit equivalent to 75% of the basis salary is awarded to persons in quarantine.

Maternity cash benefit: 85% of the basis salary (mean salary during the 6 months preceding entitlement). The benefit is payable for 126 days covering the period before and after childbirth.

Parental leave: 85% of the basis salary (mean salary during the 6 months preceding the claim) and payable until the child is 2 years old (age 3 if child is disabled).

Sick-child care allowance: 85% of the basis salary (mean salary during the 6 months preceding the claim). The benefit is payable for a maximum of 14 days a year (may be extended for certain difficult cases) for a child under age 8 (age 18 if disabled).

Workers' Medical Benefits

Medical services are provided directly to patients by local health insurance funds. Medical benefits include general and

specialist care, hospitalization, medicines, appliances, maternity care, transport, and other services.

Dependents' Medical Benefits

Medical services are provided directly to patients by local health insurance funds. Medical benefits include general and specialist care, hospitalization, medicines, appliances, maternity care, transport, and other services.

Administrative Organization

Cash benefits: Ministry of Labor and Social Solidarity is responsible for general supervision and policy development. National Pension and Social Insurance Fund with regional pension funds administers the program.

Medical services: National Health Insurance Fund provides general supervision. Local health insurance funds administer the program.

Work Injury

Regulatory Framework

First law: 1912.

Current laws: 2000.

Type of program: Social insurance system.

Coverage

Employed persons, school pupils, apprentices, students undergoing occupational training, and military conscripts.

Source of Funds

Insured person: None.

Employer: A portion of the adjusted 35%, 40%, or 45% payroll contribution paid under Old Age, Disability, and Survivors (see above). Under certain conditions, the employer pays sickness benefit directly to the employee when the period of absence from work due to sickness is less than 90 days. Employers also contribute to medical care costs (see Sickness and Maternity, above).

Government: Any deficit.

Qualifying Conditions

Work injury benefits: No minimum qualifying period or contribution conditions. Must have at least 50% loss of work capacity due to a work accident or an occupational disease.

Temporary Disability Benefits

100% of the basis salary (75% of the mean salary during the 6 months preceding the disability) payable from the first day of incapacity. Benefit is payable by the employer until recovery or certification of permanent disability.

Permanent Disability Benefits

Permanent disability pension: 40% to 75% of the presumptive entitlement to an old-age pension (calculated as the lifetime accumulated number of points multiplied by the point value in force at the moment of retirement; see old-age pension, above), according to three degrees of disability.

Constant-attendance supplement: A fixed lump sum in cases of first-degree incapacity.

Benefit adjustment: Adjusted according to inflation.

Medical benefits: Medical services are provided directly to patients by local health insurance funds. Medical benefits include general and specialist care, hospitalization, medicines, appliances, maternity care, transport, and other services.

Survivor Benefits

Survivor pension: One survivor is entitled to an award of 50% of the old-age pension paid or payable to the insured or, if the deceased was ineligible for the old-age pension, 50% of the first-degree disability pension; two survivors, 75% of insured's pension; three or more survivors, 100% of insured's pension; full orphans, sum of survivor pension for each parent.

Benefit adjustment: Adjusted according to inflation.

Funeral grant: Awarded on the death of the insured or insured's dependent. For the death of a dependent, the grant is reduced by 50%.

Administrative Organization

Ministry of Labor and Social Protection provides general supervision.

County Directorates of Labor and Social Protection administer the program.

Temporary disability benefits are paid directly by enterprises.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 1991 and 1997.

Type of program: Social insurance system.

Coverage

Unemployment benefit: Persons whose individual labor contracts have expired or who have lost membership in a craft cooperative; job seekers over age 18; newly discharged military personnel; or persons newly graduated from school or university who cannot find suitable employment

Professional insertion allowance: Young adults, aged 18 or older, who have no independent income and have not found employment in the 60 days following the completion of their studies (30 days following the completion of military service).

Youths aged 16 to 17 without financial support who have finished full-time education. Disabled persons without employment and receiving specialized training.

Source of Funds

Insured person: Employees pay 1% of gross earnings. The self-employed pay 5% of declared income.

Employer: 5% of payroll.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Six months of contributions in the last 12 months (12 months of contributions in the last 24 months for certain categories). Registered at the local Labor Office.

Unemployment Benefits

Unemployment benefit: 50% of average earnings over the last 3 months with up to 5 years of contributions; 55% with more than 5 years of contributions. Payable for up to 270 days. Minimum benefit is 23% of the minimum wage if less than 5 years of contributions or 25% if more than 5 years of contributions.

Maintenance allowance: Unemployment benefit is paid for 270 days. Thereafter, an unemployment maintenance allowance is paid for up to 18 months at 60% of the minimum wage.

Professional insertion allowance: An allowance of 18% of the minimum wage is paid to first-time job seekers after leaving secondary school (20% for university graduates).

Administrative Organization

National Office of Employment and Vocational Training provides general supervision.

Local offices administer the program.

Family Allowances

Regulatory Framework

First law: 1944.

Current laws: 1993, 1995, 1997, and 1998.

Type of program: Universal system.

Coverage

All resident children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Child must be under age 16 (age 18 if disabled or in full-time education or professional training).

Supplementary allowance for families with more than one child: Paid as a supplement to family allowance to households with more than one child.

Social allowance: Paid to single-person or low-income households.

Birth grant: Paid to women after the birth of a second and subsequent children.

Support allowance for the protection of minors through family placement: Paid to a family or an institution responsible for the upbringing of a minor placed in their charge.

Supplementary allowance for the wives of military conscripts: Paid for the spouse of low-income military conscripts in cases in which the spouse is disabled or has entered the fourth month of pregnancy.

Family Allowance Benefits

Family allowances: 130,000 lei a month for each child.

Supplementary allowance for families with more than one child: 50,000 lei a month for families with two children; 100,000 lei a month for three children; 125,000 lei a month for four or more children.

Social allowance: Paid at between 166,500 lei and 625,300 lei a month according to family size. Families with more than five persons receive a supplement of 92,700 lei for each additional member.

Birth grant: 387,317 lei.

Support allowance for protection of minors through family placement: 347,906 lei a month.

Supplementary allowance for wives of military conscripts: 48,836 lei a month.

Administrative Organization

Ministry of Labor and Social Protection provides general supervision.

Local offices of labor and social protection, local councils, and other institutions administer the benefits.

Russia

Exchange rate: U.S.\$1.00 equals
30.47 rubles (R).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1995, 1996, and 2001 (state pension security; labor pensions; mandatory pension insurance).

Type of program: Social insurance system.

Coverage

Employed citizens, self-employed persons, and independent farmers. There are special provisions for civil servants, military personnel, policemen and policewomen, war veterans, and other specified groups.

Source of Funds

Insured person: Employees make no contribution. Self-employed persons and independent farmers contribute a monthly fixed amount of R150.

Employer: 28% of payroll, 14% of which is part of the Single Social Tax (SST) that finances the basic part of the labor pension and 14% of which is transferred to the Pension Fund to finance the insurance and funded elements of the labor pension. Agricultural enterprises pay 20.6% of payroll. Organizations for the disabled and for pensioners are exempted from the SST but pay contributions for mandatory pension insurance.

The overall 35.6% of payroll SST finances pensions provided under the State Pension Security law as well as the basic part of the labor pension, sickness and maternity benefits, and medical care benefits. The employer's contribution noted above is included in this rate. The contribution rate is lowered on annual income exceeding R100,000. Employers can provide supplementary benefits out of their own budgets.

Government: Full cost of social pensions and of service pensions for state employees, military personnel, policemen and policewomen, and other specified groups. Republics and local authorities can provide supplementary benefits out of their own budgets.

Qualifying Conditions

Old-age pensions

Old-age labor pension: Age 60 (men) or age 55 (women) and a minimum of 5 years of insurance coverage. Full qualifying conditions are reduced for persons who have worked in the far-north region or in hazardous or dangerous work, and to mothers who have five or more children or disabled children.

State service pension: A supplement to the old-age labor pension to state employees, military personnel, and policemen and policewomen with 15 years of service.

State social pension: Disabled citizens, or those meeting the age requirement (65 for men and 60 for women).

Early old-age pension: Age 50 with 10 years of work (men) and age 45 with 7.5 years of work (women) in an unhealthy working environment or a physically demanding natural environment.

Disability pensions

Disability labor pension: Previously employed. Depends on degree of disability, according to three groups. Group one, 100% incapable of work and requiring constant attendance. Group two, 100% incapable of work but not in need of constant attendance. Group three, 50% incapable of work but not in need of constant attendance.

State disability pension: Previously employed. Persons under age 20 disabled due to a general illness or a severe work injury, occupational disease, or military service.

Survivor pensions

Survivor labor pension: Insured's length of service and insurance coverage are not considered.

Eligible survivors are widows who are over age 55 (widowers over age 60) or unemployed and caring for children less than age 14; children up to age 18 (age 23 for students); brothers and sisters up to age 18; and grandfathers over age 60 (grandmothers, age 55).

Social survivor pension: The pension is provided if the deceased did not have insurance coverage.

Old-Age Benefits

Old-age labor pension: Benefit is calculated as the sum of three components: a basic part fixed at a set rate for different categories of beneficiaries; an insurance part based on the money equivalent of acquired pension rights; and an accumulated part based on the value of individual contributions and investment income. Payment of the accumulated component will begin in 2013.

Minimum pension: There is no officially stated minimum pension.

Maximum pension: There is no upper limit on entitlement.

State service pension: The benefit for this additional pension is calculated in relation to the length of state service and the value of wages earned.

State social pension: The amount of the social pension is a percentage of the basic part of the labor pension.

Permanent Disability Benefits

Disability labor pension: Benefit is awarded according to three assessed groups of disability. Benefit is calculated as the sum of three components: a basic part fixed at a set rate for different categories of beneficiaries; an insurance part based

on the money equivalent of acquired pension rights; and an accumulated part based on the value of individual contributions and investment income. Payment of the accumulated component will begin in 2013.

State disability pension: Benefits are set by the government according to categories.

Survivor Benefits

Survivor labor pension: Benefit is calculated as the sum of two components: a basic part fixed at a set rate for different categories of beneficiaries; and an insurance part based on the money equivalent of the acquired pension rights of the deceased insured and on the number of eligible survivors.

Social survivor pension: Benefits are set by the government according to categories.

Administrative Organization

Pension Fund of the Russian Federation and its regional bodies administer benefit awards and payments.

Ministry of Labor and Social Development of the Russian Federation is responsible for policy development.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 1984, 1993, 1995, 1999 (mandatory social insurance), 2001; 1991, 1992, and 1993 (medical care).

Type of program: Dual social insurance (cash benefits) and universal (medical care) systems. The implementation of medical insurance is the responsibility of regional governments. Voluntary supplementary private medical insurance.

Coverage

Cash benefits: Employed citizens.

Medical care: All citizens and refugees.

Source of Funds

Insured person: None for cash benefits or compulsory medical insurance. The insured may contribute to voluntary supplementary medical insurance. The contribution rates for voluntary supplementary medical insurance vary by plan.

Employer

Cash benefits: 4% of payroll, included in SST (see Old Age, Disability, and Survivors, above).

Medical insurance: 3.6% of payroll, included in SST (see Old Age, Disability, and Survivors, above). Rates for voluntary supplementary medical insurance by plan.

Government: Federal government and local governments provide partial funding for medical care.

Qualifying Conditions

Cash and medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 60% of current earnings if the insured has less than 5 years of coverage; 80% if 5 years to 8 years of coverage; 100% if over 8 years of coverage (or if the insured has three or more dependent children).

The minimum benefit is 90% of the minimum wage as applied to sickness benefit (the minimum wage for sickness benefit is R300 as of January 1, 2002).

Note: The value of the minimum wage used for the calculation of cash benefit varies according to the benefit type.

Maternity benefit: 100% of earnings payable between 10 weeks and 12 weeks before the expected date of childbirth and between 10 weeks and 16 weeks after childbirth.

Parental leave: Monthly benefits equal to 200% of the minimum wage (the minimum wage for maternity benefits is R100) are paid to employees on parental leave to care for children under 18 months old.

Childbirth grant: A lump sum equal to 15 times the minimum wage for maternity benefit (R100).

Workers' Medical Benefits

Compulsory medical insurance covers medical services provided directly to patients by public and private health providers. Services provided include general, preventive, and emergency care; hospitalization; laboratory services; dental care; maternity care; vaccination; and transportation. Medicines prescribed during hospitalization are provided free, or at reduced prices, to persons with certain categories of illness, to the disabled, and to war veterans.

Voluntary medical insurance covers specialized care, expensive medicines, and appliances.

Dependents' Medical Benefits

Compulsory medical insurance covers medical services provided directly to patients by public and private health providers. Services provided include general, preventive, and emergency care; hospitalization; laboratory services; dental care; maternity care; vaccination; and transportation. Medicines prescribed during hospitalization are provided free, or at reduced prices, to persons with certain categories of illness, to the disabled, and to war veterans.

Voluntary medical insurance covers specialized care, expensive medicines, and appliances.

Administrative Organization

Cash benefits: Social Insurance Fund of the Russian Federation and regional social insurance funds administer sickness and maternity cash benefits.

Regional departments of social protection administer maternity benefits for the unemployed and other nonworking citizens.

Enterprises and employers administer and pay benefits to own employees.

Medical care: Ministry of Health of the Russian Federation and regional health departments implement state health care policy and develop health care programs.

Medical services are provided through clinics, hospitals, maternity homes, and other medical facilities, including private health providers.

Work Injury

Regulatory Framework

First law: 1903.

Current laws: 1998, implemented January 1, 2000 (work injury and occupational disease) and 1999 (mandatory social insurance).

Type of program: Social insurance system.

Coverage

Employed citizens, employed convicted persons, persons employed on the basis of a civil/legal agreement if under such an agreement the employer is obliged to pay contributions to the Social Insurance Fund of the Russian Federation for mandatory social insurance against work injury and occupational disease.

Medical care is available to all citizens.

Source of Funds

Insured person: None.

Employer: Varying contributions (between 0.2% and 8.5% of payroll) according to 22 classes of professional risk and the assessed degree of risk. Employers can provide supplementary benefits out of their own budgets.

Government: None. Republics and local authorities can provide supplementary benefits out of their own budgets.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. The minimum level of incapacity is 15%.

Temporary Disability Benefits

100% of earnings prior to certification of disability. Benefit is payable from the first day of incapacity until fully rehabilitated.

A lump-sum award equal to 60 times the minimum wage, prorated according to the percentage of lost work capacity.

In the case of a sustained loss in work capacity, a monthly benefit equal to the average wage for the last 12-month period is paid, prorated according to the percentage of lost work capacity.

Permanent Disability Benefits

Permanent disability pension: See disability pension (Old Age, Disability, and Survivors, above).

Additional benefits: Insured persons are covered for medical costs and the cost of professional rehabilitation.

Workers' Medical Benefits

Same as compulsory medical insurance, plus free appliances and medicines; specialized care under the terms of voluntary supplementary insurance coverage offered by employer.

Survivor Benefits

Survivor pension: In the case of the death of an insured person as the result of a work injury or an occupational disease, the survivor is entitled to receive a lump-sum award and monthly benefit payments. Monthly benefit is calculated as the sum of two components: a basic part fixed at a set rate for different categories of beneficiaries; and an insurance part based on the money equivalent of the acquired pension rights of the deceased insured and on the number of eligible survivors.

Administrative Organization

Temporary disability benefits are administered by the Social Insurance Fund of the Russian Federation and regional funds. Enterprises and employers pay benefits to employees.

Pension Fund of the Russian Federation is responsible for the administration of permanent disability pensions.

Ministry of Health of the Russian Federation is responsible for the provision of medical services through clinics, hospitals, maternity homes, and other medical facilities, including private health care providers.

State health care policies and programs are implemented and administered by the Ministry of Health of the Russian Federation and regional health departments.

Unemployment

Regulatory Framework

First law: 1921.

Current laws: 1993, 1996, 1997, and 2001.

Type of program: Social insurance system.

Coverage

Citizens between ages 16 and 59 (men) or 16 and 54 (women).

Source of Funds

Employee: None.

Employer: None.

Government: Financed from federal and local budgets. Republic and local governments may provide supplementary benefits for unemployed persons and their dependents out of their own budgets.

Qualifying Conditions

Unemployment benefit: Registered at the employment office, 26 weeks full-time employment in the last 12 months (or the 26-week equivalent for part-time employment), and able and willing to work. Benefits may be reduced, postponed, suspended, or terminated if worker is discharged for violating work discipline, leaving employment without good cause, violating conditions for job placement or vocational training, or filing fraudulent claims.

Unemployment Benefits

Severance pay, equal to the average monthly wage, is paid for a 2-month period by the employer.

Unemployment benefits are paid by the local state employment service for 12 months as a percentage of previous average wages. Benefits decrease over time with payment in the first 3 months equal to 75% of the previous average monthly wage, then at 60% for the next 4 months and at 45% for the last 5 months.

For unemployed persons who do not meet the prior work conditions or for persons who have never worked, benefit is paid at 100% of the minimum wage (R300 as of January 1, 2002).

Dependent supplement: Payable at 50% of the minimum wage for each dependent. Entitlement should not exceed 150% of the minimum wage in total.

Early pension: Payable to unemployed older workers (between ages 58 and 59 (men) and 53 and 54 (women)). Benefit is the same as the old-age labor pension.

Maximum benefit: The benefit must not exceed 100% of average wage in the given region.

Minimum benefit: The benefit must not be lower than 100% of the minimum wage.

Administrative Organization

Ministry of Labor and Social Development of the Russian Federation provides general supervision, control, and partial financing.

Regional employment services administer and finance the program.

Family Allowances

Regulatory Framework

First law: 1944.

Current law: 1995.

Type of program: Universal system.

Coverage

Children under age 16 (or until completion of general education up to age 18).

Source of Funds

Insured person: None.

Employer: Contributions included in SST contribution (see Old Age, Disability, and Survivors, above). Employers can provide supplementary benefits out of their own budgets.

Government: Federal and local budgets pay for remainder of benefits. Republics and local authorities can provide supplementary benefits out of their own budgets.

Qualifying Conditions

Family allowances: Child care allowances are granted only to families with income below the locally determined minimum subsistence level.

Family Allowance Benefits

Family allowances: An allowance of 70% of the minimum wage (the minimum wage for family allowances is R100 as of January 1, 2002) for each child from 18 months to 16 years of age (or until the completion of general education).

Single parents: An allowance of two times the minimum wage (R100 as of January 1, 2002).

Childbirth grant: A lump sum equal to 15 times the minimum wage (set according to the minimum wage for maternity benefit, R100).

Funeral grant: A lump sum equal to five times the minimum wage (the minimum wage for the funeral grant is R300).

Administrative Organization

Ministry of Labor and Social Development of the Russian Federation provides general oversight of the program.

Regional and local departments of social protection award benefits and make payments to nonworking parents.

San Marino

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1955 (old age), 1965 (disability), and 1983 (survivors).

Type of program: Social insurance system.

Coverage

Employees and self-employed workers.

Source of Funds

Insured person: 1.9% of earnings.

Employer: 10% of payroll.

Government: Covers any deficit.

Qualifying Conditions

Old-age pension: Age 60 (men and women) and 15 years of contributions.

Disability pension: A loss of working capacity of 65% and 7 years of contributions.

Survivor pension: 15 years of contributions, or 7 years of contributions with at least 1 year within the 5 years preceding the death of the insured. Available to an unemployed widow or widower. The pension is discontinued on the remarriage of spouse.

Old-Age Benefits

Old-age pension: 3% of average earnings of the last 5 years of employment for each of the first 15 years of pension payment; 2% of the same average earnings for the 16th to 35th years of pension payment.

Deferred pension: An increase of 3% for each year of employment after age 60.

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

Permanent Disability Benefits

Disability pension: The amount of pension benefit is not affected by the degree of disability.

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

Survivor Benefits

Survivor pension: The amount of pension varies depending on the number of eligible survivors. For a spouse with one child, 50%; with two children, 60%; with three children, 95%; and for a spouse with more than three children, 100%.

Administrative Organization

National Social Security Institute provides general supervision.

Sickness and Maternity

Regulatory Framework

First law: 1955.

Current laws: 1955 (medical benefits), 1965 (welfare), 1967 (cash benefits), and 1968 (self-employed).

Type of program: Social insurance system (cash benefits) and universal scheme (medical benefits).

Coverage

Cash benefits: Employees and self-employed workers.

Medical care: All residents.

Source of Funds

Insured person: 3.5%.

Employer: 5%.

Government: Cash benefits, none. Medical care, 50% of direct taxes collected by the state.

Qualifying Conditions

Cash sickness benefits: No qualifying period.

Cash maternity benefits: No qualifying period.

Medical care: No qualifying period.

Sickness and Maternity Benefits

Cash sickness benefit: Private employees receive 86% of monthly earnings for the first 15 days, 100% until the sixth month, and then 86% until the end of the 12th month. Benefit is payable for 365 days. Public employees receive 100% of monthly earnings for 180 days, then 86% until the end of the illness.

Maternity benefit: 100% of earnings during the 5 months of maternity leave (2 months before and 3 months after expected date of childbirth). Thereafter, during the following 7 months, mothers can remain on leave with benefit equal to 2 hours of earnings per day, or they can return to work and take leave up to 2 hours a day on full pay.

Workers' Medical Benefits

Services provided by doctors of the National Social Security Institute and state hospitals. Benefits include all medical services, hospitalization, maternity care, and pharmaceuticals.

Dental care is provided free for tooth extractions and for the first course of treatment. There is a fee for subsequent treatments (dental services are free for children up to age 14 and for pensioners). There is no cost-sharing by patients. There is no limit to duration.

Dependents' Medical Benefits

Same conditions as for insured beneficiaries.

Administrative Organization

National Social Security Institute provides general supervision.

Work Injury

Regulatory Framework

First and current law: 1983.

Type of program: Social insurance system.

Coverage

Employees and self-employed workers.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

100% of earnings.

Permanent Disability Benefits

Permanent disability benefits: Calculated as the degree of disability multiplied by the amount of earnings used as the base for calculations. Monthly benefit calculated by dividing earnings for last 5 years by the number of days worked during those years and multiplying by 18.

Minimum level of disability is 15%.

Medical benefits: All necessary services provided free of charge.

Survivor Benefits

Survivor pension: See survivor pension under Old Age, Disability, and Survivors, above, with the exception that being unemployed is not a necessary condition of entitlement.

Administrative Organization

National Social Security Institute provides general supervision.

State hospitals, or government-approved establishments, deliver medical services.

Unemployment

Regulatory Framework

There is no information available on the unemployment scheme in San Marino.

Family Allowances

Regulatory Framework

There is no information available on the family allowances scheme in San Marino.

Serbia

Exchange rate: Not available.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922 (effective in 1937).

Current law: 1983.

Type of program: Social insurance system.

Note: This information is from 1999.

Coverage

Employed persons in industry, commerce, and agriculture; public employees; and members of handicraft and fishery cooperatives.

Special systems for various categories of self-employed workers including craftsmen, artists, and farmers.

Source of Funds

Insured person: 16%.

Employer: 16%.

Government: Guarantees cash benefits.

Qualifying Conditions

Old-age pension: Age 60 (men) or age 55 (women) with 20 years of insurance. The pension is payable at any age with 40 years of insurance (men) or with 35 years (women); at age 65 (men) or age 60 (women) with 15 years of insurance. Retirement from insured employment is necessary. The pension is payable abroad if a reciprocal agreement exists.

Disability pension: Incapacity for all work (total disability) or greatly reduced capacity for regular or equivalent work (partial disability). The insured person must have coverage for at least 1/3 of the years after age 20.

Survivor pension: Deceased was pensioner or had 5 years of insurance coverage.

Old-Age Benefits

Old-age pension: 35% (men) or 40% (women) of average earnings during the last 10 years or the 10 highest paid consecutive years in insured employment. Past earnings are revalued for changes in average wages. An increment of 2% (men) or 2% to 3% (women) of earnings is awarded for each year of insurance beyond 15 years.

Maximum pension: 85% of average earnings.

Benefit adjustment: Periodic adjustment of pensions for changes in the cost of living and the minimum wage level.

Permanent Disability Benefits

Disability pension: Same as for the old-age pension, above. If the date of onset of disability is before age 60 (men) or age 55 (women) and the person has less than 20 years' coverage, the minimum pension is 45% (men) or 55% (women). An increment of 2% of earnings is awarded for each year of insurance beyond 15 years.

Constant-attendance allowance: The allowance is provided where necessary.

Benefit adjustment: Periodic adjustment of pensions for changes in the cost of living and the minimum wage level.

Survivor Benefits

Survivor pension: One survivor receives 70% of the pension paid or accrued to the insured; two survivors, 80%; three survivors, 90%; four or more survivors, 100%.

Eligible survivors: Widow (age 45) or a widower (age 50), disabled, or caring for a child under age 15 (age 26 if a student, no limit if disabled); dependent mother (age 45) and father (age 55), or disabled; dependent grandchildren, brothers, or sisters.

Funeral grant: Burial expenses.

Benefit adjustment: Periodic adjustment of benefits for changes in the cost of living and the minimum wage level.

Administrative Organization

Social Security Institute provides general supervision.

Pension and disability funds administer the programs at the local level.

Sickness and Maternity

Regulatory Framework

First law: 1922.

Current laws: 1992 and 1999 (health insurance for foreigners).

Type of program: Social insurance system.

Coverage

Employed persons in industry, commerce, and agriculture; public employees; members of handicraft and fishery cooperatives; students; artists; self-employed workers; and farmers. Foreign citizens including persons without citizenship, those with refugee status, or those granted asylum. Pensioners are covered for medical benefits.

Source of Funds

Insured person: Contribution rates vary according to profession; maximum is 9.7% of earnings.

Employer: Varying percentage of payroll; maximum is 9.7% of payroll.

Government: None.

Regional pension and disability associations and employment associations pay contributions for beneficiaries' health coverage.

Qualifying Conditions

Sickness and maternity benefits: Coverage for 12 continuous months or for 18 months during the last 2 years.

Medical benefits: No minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: Employer pays for first 60 days. The minimum benefit is 50% of average earnings. The maximum benefit is 75% of average earnings; 95% from the 61st day if the qualifying period is met, 90% if it is not. Benefit is payable from the first day of incapacity until recovery or until the award of a disability pension.

Maternity benefit: 100% of earnings if the qualifying period is met; 80% if it is not.

Maternity grant: Amount determined by health insurance association.

Workers' Medical Benefits

Medical services are provided directly to patients through the facilities of the government health service on the basis of contracts with local health insurance associations.

Dependents' Medical Benefits

Same as for the insured person. The wife or another female dependent of the insured person also receives maternity benefits on the same basis as an insured woman.

Administrative Organization

Funds for health insurance programs administer the program on the local level.

National Committee provides general coordination of regional funds of associations.

Work Injury

Regulatory Framework

First law: 1922.

Current laws: Same laws as those above that apply to Old Age, Disability, and Survivors and to sickness benefits.

Type of program: Social insurance system.

Coverage

Persons insured for Old Age, Disability, and Survivors and for sickness benefits.

Source of Funds

Insured person: None.

Employer: See Sickness and Maternity, above.

Government: None.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

100% of earnings. Benefit is payable from the first day of incapacity until recovery or the award of a permanent disability pension.

Permanent Disability Benefits

Permanent disability pension: Up to 85% of average earnings according to same schedule as for the old-age pension.

Workers' Medical Benefits

Provided under sickness insurance.

Survivor Benefits

Survivor pension: One survivor, 70% of the pension paid or accrued to the insured; two survivors, 80%; three survivors, 90%; four or more survivors, 100%.

Eligible survivors are spouse and children, grandchildren, brothers, sisters, and dependent aged parents.

Funeral grant: Burial expenses.

Administrative Organization

Union of Pension and Disability Associations coordinates and administers short-term cash benefits.

Unemployment

Regulatory Framework

First law: 1927.

Current law: 1992.

Type of program: Unemployment assistance.

Coverage

Employed persons.

Source of Funds

Insured person: Rate varies up to a maximum of 0.9% of earnings.

Employer: Rate varies up to a maximum of 0.9% of earnings.

Government: None.

Qualifying Conditions

Unemployment benefit: Employment throughout the past 9 months or during 12 months out of the last 18 months. Total income from employment of the claimant's household should not exceed specified monthly amount.

Unemployment Benefits

Income-tested. The benefit rate is 70% of average earnings in the last 3 months, is payable for up to 3 months, and may be extended up to 30 months for workers with 30 years of prior employment.

Administrative Organization

Unemployment funds coordinate and administer the program.

Family Allowances

Regulatory Framework

First law: 1949.

Current law: 1990.

Type of program: Employment-related system.

Coverage

Employees, some categories of self-employed persons, artists, social insurance beneficiaries, and nonworking single mothers with one or more children and limited income.

Source of Funds

Insured person: Rate varies.

Employer: None, except private employers who pay the entire contribution for their workers.

Government: None.

Qualifying Conditions

Family allowances: Child must be under age 15 (age 26 if a student, no limit if disabled). Taxable income of household must be below the specified monthly amount. The amount is adjusted periodically for cost-of-living changes. Most laws also require 12 months of coverage.

Family Allowance Benefits

Family allowances: Rates vary according to the number of children in the family and an income test.

Benefit adjustment: Allowances adjusted periodically for cost-of-living changes.

Administrative Organization

National Committee provides general coordination of the regional funds and associations.

Self-governing regional associations administer programs.

Slovak Republic

Exchange rate: U.S.\$1.00 equals
48.00 koruna (SK).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1906 (salaried employees) and 1924 (wage earners).

Current laws: 1988, 1990, 1994, and 1995.

Type of program: Social insurance system.

Coverage

Employees, self-employed persons, persons working with self-employed persons, and members of cooperatives.

Source of Funds

Insured person: 6.4% of earnings; 28% for self-employed persons, persons working with self-employed persons, persons employed abroad, persons paying voluntary pension insurance contributions, and members of cooperatives.

Employer: 21.6% of payroll.

Government: 28% of the assessment base, equaling 2,400 SK for some categories.

Maximum earnings for benefit purposes are 2,500 SK a month, plus 1/3 of earnings between 2,501 SK and 6,000 SK and 1/10 between 6,001 SK and 10,000 SK.

Qualifying Conditions

Old-age pension: Age 60; ages 55 to 58 if in unhealthy or arduous work (men); ages 53 to 57 according to the number of children raised (women). An employment period of 25 years for both men and women. The pension is proportionally reduced for men at age 65, if they have at least 10 years of employment, and for women at age 60, if they have at least 20 years of employment.

Disability pension: Total disability (disabled for all work) or partial disability (1/2 loss of earning capacity); 5 years of employment in last 10 years, 1 to 4 years if under age 28, and less than 1 year if under age 20.

Widow's pension: Deceased met pension requirements or was a pensioner at the time of death or died as a consequence of an occupational accident.

Orphan's pension: The death of one or both parents.

Old-Age Benefits

Old-age benefit: 50% of average earnings during best 5 years out of the last 10 years, plus 1% of earnings per year of employment starting from the 26th year of employment after 18 years of age.

The minimum pension (with full career) is 550 SK a month, plus an adjustment according to the year of the pension's award and the relevant increase.

The maximum pension is 8,282 SK a month for all pensions.

Dependent supplement: 570 SK a month for a wife aged 65 or disabled, if she has no entitlement to any other pension and is not working.

Permanent Disability Benefits

Disability pension: 50% of average earnings during best 5 years out of the last 10 years, plus 1% of earnings per year of employment starting from the 26th year of employment after 18 years of age.

The minimum full pension is 550 SK a month, plus an adjustment according to the year of the pension's award and the relevant increase.

Dependent supplement: 570 SK a month for a wife aged 65 or disabled, if she has no entitlement to any other pension and is not working.

Partial disability: 50% of the total disability pension.

Social pension: Guarantees a minimum income, awarded to persons with no other pension entitlement above the subsistence minimum.

Survivor Benefits

Widow's pension: 60% of the pension of the insured. The pension is payable to all widows for 12 months. Thereafter, only to widows aged 50; aged 45 if she has reared two or more children; aged 40 if the husband died from an occupational accident or while performing military service; or any age if disabled, caring for a child, or rearing three or more children.

Widower's pension: 1,977 SK a month.

Orphan's pension: For a half-orphan under age 15 (under age 25 if a student or disabled), 30% of the pension of the insured; the minimum is 400 SK a month. For a full orphan, the award is 50% of the combined pension of both parents; the minimum is 600 SK a month. The maximum full orphan's pension, including any adjustment, is 4,169 SK.

Administrative Organization

Ministry of Labor, Social Affairs and Family.

Social Insurance Agency.

Local subsidiary offices administer the payment of benefits through post offices or to the beneficiary's bank account.

Sickness and Maternity

Regulatory Framework

First law: 1888.

Current laws: 1956, 1968, 1988, and 1994.

Type of program: Social insurance system.

Coverage

Employees, self-employed persons, persons working with self-employed persons, registered unemployed persons, and members of cooperatives.

Source of Funds

Insured person: 1.4% of earnings for cash benefits; self-employed persons, 4.8% of half of the tax base; 4% of earnings for medical care.

Employer: 3.4% of earnings for cash benefits; 10.0% for medical care.

Government: For special groups, government contributes 4.8% of the assessment base of 2,700 SK.

Qualifying Conditions

Cash sickness and medical benefits: Currently in a covered category. Eligibility continues for 6 weeks after coverage ceases.

Cash maternity benefits: 270 days of insurance in the last 2 years. Eligibility continues for 6 months after employment ceases.

Sickness and Maternity Benefits

Sickness benefit: For the first 3 days, 70% of earnings; 90% from fourth day.

Maximum benefit is 350 SK a day; for self-employed persons, 250 SK a day. Benefit is payable from the first day of incapacity for up to 1 year.

Maternity benefit: 90% of earnings. The maximum benefit is 350 SK a day. Benefit is payable for 28 weeks (37 weeks for a single mother and for multiple births) including at least 6 weeks before the expected date of childbirth.

Families that are eligible for extended parental leave receive 2,740 SK a month for each child under age 3 and for a severely disabled child up to age 7.

Workers' Medical Benefits

Medical services are provided directly to patients through health service facilities of health insurance. Services include medical treatment hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium, and spa treatment.

Dependents' Medical Benefits

Same medical services as for family head. Medical services are provided directly to patients through health service facilities of health insurance. Services include medical treatment hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium, and spa treatment.

Administrative Organization

Ministry of Labor, Social Affairs and Family.

Social Insurance Agency.

Local subsidiary offices administer cash benefits.

Ministry of Health and General Health Insurance Agency administer medical services provided through health centers and clinics.

Work Injury

Regulatory Framework

First law: 1887.

Current laws: 1956 (short-term benefits) and 1988 (pensions).

Type of program: Social insurance system.

Source of Funds

Insured person: The contribution is taken from the 6.4% of earnings contribution made for Old Age, Disability, and Survivors (see above); or from the 28% for self-employed persons, persons working with self-employed persons, persons employed abroad, persons paying voluntary pension insurance contributions, and members of cooperatives (see above).

Employer: The contribution is taken from the 21.6% of payroll contribution made for Old Age, Disability, and Survivors (see above).

Government: The contribution is taken from the 28% of the assessment base, equaling 2,400 SK for some categories, made for Old Age, Disability, and Survivors (see above).

Maximum earnings for benefit purposes are 2,500 SK a month, plus 1/3 of earnings between 2,501 SK and 6,000 SK and 1/10 between 6,001 SK and 10,000 SK.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

90% of earnings. The maximum benefit is 350 SK a day.

Permanent Disability Benefits

Permanent disability benefit: 50% of average earnings during best 5 years out of the last 10 years, plus 1% of earnings per year of employment starting from the 26th year of employment after 18 years of age.

Partial disability: 50% of the total disability pension.

Workers' Medical Benefits

Medical services are provided directly to patients through health service facilities of health insurance. Services include

medical treatment hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium, and spa treatment.

Survivor Benefits

Widow's pension: 60% of the pension of the insured. The minimum pension is 450 SK a month. The pension is payable to all widows for 12 months. Thereafter, only to widows aged 50; or aged 45 if the widow has reared two or more children; aged 40 if the husband died from an occupational accident or while performing military service; or any age if disabled, caring for child, or rearing three or more children.

Widower's pension: 1,977 SK.

Orphan's pension: For each half-orphan under age 15 (under age 25 if a student or disabled) the entitlement is 30% of the pension of the insured. The minimum pension is 400 SK a month. For a full orphan the entitlement is 50% of the pension of the insured, plus adjustment. The maximum full orphan's pension is 4,169 SK. The minimum pension is 600 SK a month.

Administrative Organization

Temporary disability benefits: Ministry of Labor, Social Affairs and Family; Social Insurance Agency; subsidiary offices on a local level. Local offices approve applications and control payment of benefits by employing enterprises.

Permanent disability and survivor pensions: Ministry of Labor, Social Affairs and Family; Social Insurance Agency. Ministry of Health; General Health Insurance Agency; district and local health centers and factory clinics, medical benefits.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 1996.

Type of program: Social insurance system.

Coverage

Unemployed job seekers.

Source of Funds

Insured person: 1% of earnings; self-employed persons, 3%.

Employer: 3% of payroll.

Government: Funds special programs.

Qualifying Conditions

Unemployment benefit: Registered with a Labor Office and looking for work. Unemployment insurance contributions paid for at least 24 months in the past 3 years.

Unemployment Benefits

Entitlement equals 50% of previous earnings during the first 3 months, thereafter 45% of earnings. The duration of benefit entitlement depends on the duration of unemployment insurance contributions. For a contribution period of up to 15 years, unemployment benefit is paid for up to 6 months; for a contribution period of more than 15 years, benefit is paid for up to 9 months.

Administrative Organization

National Labor Office. District Labor Offices administer benefits.

Family Allowances

Regulatory Framework

First law: 1945.

Current laws: 1994, 1995, 1996, 1997, 1998, 1999, and 2001.

Type of program: Universal system.

Coverage

Residents; noncitizens must have at least 1 year's residence.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances (child allowances): Until completion of basic compulsory education, or age 25 if a student or if disabled.

Parental allowance: Parent taking daily care of a child under 4 years of age, or under 8 years of age if the child has special health care needs.

Soldier's family allowance: Awarded with respect to the wife (husband) of a soldier and dependent children when a soldier performs national service.

Foster care allowance: Child in foster care.

Foster parent remuneration: Foster caregiver.

Family Allowance Benefits

Family allowances (child allowances): Family income-tested and dependent on age of the child. Up to age 5, 680 SK a month; from age 6 up to age 14, up to 830 SK a month; 15 years of age and over, up to 890 SK a month.

Parental allowance: 2,740 SK a month.

Soldier's family allowance: Half of the state social benefit.

Foster care allowance: Child aged up to 6 years, 2,160 SK; aged 6 to 15 years, 2,660 SK; aged 15 years and over, 2,840 SK.

Lump sum on termination of foster care: Child aged up to 5 years, 5,040 SK; aged 6 years to 14 years, 6,690 SK; aged 15 and over, 7,080 SK.

Foster care remuneration: 1,320 SK a month.

Childbirth allowance: 3,110 SK.

Funeral allowance: 2,100 SK.

Administrative Organization

Ministry of Labor, Social Affairs and Family; Social Insurance Agency administers allowances through district subsidiary offices.

National Labor Office and employing establishments administer allowances through district-level social departments of the state offices.

Slovenia

Exchange rate: U.S.\$1.00 equals 237.27 tolar.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1999, 2000, and 2001 (amendments).

Type of program: Social insurance system.

Coverage

Employed persons in industry, commerce, and agriculture; public employees; members of handicraft and fishery cooperatives; and self-employed workers including craftsmen, liberal professions, artists, and farmers.

Source of Funds

Insured person: The contribution rate varies. The average contribution rate is 15.50% of earnings.

Employer: The contribution rate varies. The average contribution rate is 8.85% of payroll.

Government: Covers the cost for veterans and certain groups of insured (policemen, ex-active army officers) and makes up the deficit in the event of an unforeseen decline in contributions.

Qualifying Conditions

Old-age pension

Men: Age 58 with 40 years of contributions; age 63 with 20 years of contributions; or age 65 with 15 years of contributions.

Women: In 2002, age 54 with 35 years of contributions. In 2003, age 57 and 4 months with 35 years and 6 months of contributions.

Or

In 2002, age 59 with 20 years of contributions. In 2003, age 59 and 4 months with 20 years of contributions.

Or

In 2002, age 61 with 15 years of contributions. In 2003, age 61 and 4 months with 15 years of contributions.

For both men and women, retirement from insured employment is necessary. Payment while abroad is permitted if a reciprocal agreement is in operation.

The retirement age and the full pension period for both men and women will be increased gradually over a number of years to age 65 (men) and age 63 (women) with 40 years and 38 years of contributions, respectively.

Disability pension: Incapacity for all work (total disability) or greatly reduced capacity for regular or equivalent work (partial disability). Coverage period of at least 1/3 of the years after age 20 (1/4 if under age 30).

Widow/widower and survivor pensions: The deceased had completed a 5-year insurance period, had 5 years of pension contributions, was receiving an old-age pension or a disability pension, or fulfilled the conditions for an old-age pension or a disability pension.

Old-Age Benefits

Old-age benefit: A minimum of 35% (men) or 38% (women) of average earnings during the 12 highest paid consecutive years in insured period from 1970. Past earnings are revalued for changes in average wages and pensions. An increment of 1.5% of earnings is awarded for each year of insurance from 2000. An additional increment of 2% (men) or 2% to 3% (women) is awarded for each year before 2000 if the total number of years of insurance coverage exceeded 20 years.

A reduced pension is awarded in cases of retirement prior to the full pensionable age or in the absence of 40 years (men) or 38 years (women) of service.

An increased pension is awarded if the date of retirement is after the full pensionable age.

The maximum pension is 85% of base earnings as set by insurance institute.

Benefit adjustment: Adjusted twice a year according to the growth of average salaries and pensions in a prescribed period.

Permanent Disability Benefits

Disability pension: A minimum of 35% (men) or 38% (women) of average earnings during the 12 highest paid consecutive years in insured period from 1970. Past earnings are revalued for changes in average wages and pensions. An increment of 1.5% of earnings is awarded for each year of insurance from 2000. An additional increment of 2% (men) or 2% to 3% (women) is awarded for each year before 2000 if the total number of years of insurance coverage exceeded 20 years.

The calculation period covers 2/3 of the period between the onset of disability and age 58 and 1/2 of the period between age 58 and age 63 (men) or age 61 (women). For workers under age 63 (men) or age 61 (women) the calculation is adjusted if disability occurred prior to age 58. In cases where the onset of disability occurred prior to age 63 (men) or age 61 (women), the minimum pension is 45% (men) or 48% (women).

The maximum pension is 85% of base earnings as set by the insurance institute.

Partial disability: 80% of earnings, or until suitable employment is found.

Benefit adjustment: Disability pensions are adjusted twice a year according to the growth of average salaries and pensions in a prescribed period.

Constant-attendance allowance: Provided where necessary.

Benefit adjustment: The allowance is adjusted twice a year according to growth of average salaries.

Survivor Benefits

Survivor pension (widow's pension): Age 51 and 6 months in 2002; age 52 in 2003.

Survivor pension (widower's pension): Age 53 and 6 months in 2002; age 53 in 2003.

Survivor pension (minimum): 70% of the pension awarded or accrued to the insured is paid for one survivor; a combined total of 80% is paid for two survivors; a combined total of 90% is paid for three survivors; a combined total of 100% is paid for four or more survivors.

Eligible survivors are the widow or widower; children under age 15 (age 26 if a student); a dependent mother age 51 and 6 months and a dependent father age 56 and 6 months in 2002 or disabled; dependent grandchildren, brothers, and sisters.

Benefit adjustment: Pensions are adjusted twice a year according to the growth of average salaries.

Administrative Organization

Institute for Pension and Disability Insurance provides general supervision.

Sickness and Maternity

Regulatory Framework

First laws: 1922 (sickness) and 1949 (maternity).

Current law: 1992, amended in 2001 (sickness) and 2001 (maternity).

Type of program: Social insurance system.

Coverage

Sickness: Employed persons, self-employed persons, and farmers (if insured).

Maternity: Persons insured for parental leave and eligible for maternity benefit (mothers, fathers, and third persons caring for the child during leave from work).

Source of Funds

Insured person

Sickness: Employees contribute 6.36% of their gross salary.

Maternity: Employees contribute 0.10% of their gross salary; self-employed persons and farmers (if insured) contribute 0.20% of the insurance base for Old Age, Disability, and Survivors (see above).

Employer

Sickness: Employers contribute 6.36% of gross payroll.

Maternity: Employers contribute 0.10% of gross payroll.

Government

Sickness and maternity; benefits in kind: Contributions are credited on behalf of certain groups of insured. Government pays for the health care of military personnel, refugees, and prisoners. Government also pays for the collection of blood, organs, and tissues for transplantation.

Sickness and maternity; cash benefits: Contributions are credited on behalf of certain groups of insured. Government finances 92% of the cost of maternity benefits from general taxation.

Qualifying Conditions

Sickness benefit: No minimum qualifying period.

Maternity benefit: The mother must be covered by parental leave insurance prior to the first day of compulsory maternity leave. The father of the child, the adoptive parent, or any other person who cares for the child must have the right to maternity leave and coverage for parental leave.

Sickness and Maternity Benefits

Sickness benefit: Paid at 80% to 100% of average wages in the previous year depending on the cause of absence. The benefit cannot be lower than the minimum wage. Benefit is paid by the employer for the first 30 days.

Maternity benefit: Paid at 100% of earnings. Payable during maternity leave (105 calendar days, of which 28 days are taken before the expected date of childbirth) and during child-care leave (260 calendar days) for 365 calendar days in total. The father is entitled to paternity leave to the same extent as the mother for maternity leave, minus the number of days already used by the mother. The minimum duration of paternity leave taken by the father must not be less than 28 days. If the father cares for the child instead of the mother, he can also be entitled to up to 260 days of child-care leave.

Maternity and child-care leave may be prolonged in instances of multiple births, premature births, the birth of a child with physical or mental impairment, or if the parents are already rearing at least two other children under age 8.

Maternity grant (layette): A grant for the purchase of clothing and other necessities for a newborn child whose father or mother has permanent residence in Slovenia.

Workers' Medical Benefits

Provided through public health facilities on the basis of separate contracts between contractors and the insurance institute. Insured individuals contribute a portion of the cost of fees that vary with the type and complexity of the service provided.

Dependents' Medical Benefits

Provided through public health facilities on the basis of separate contracts between contractors and the insurance institute. Insured individuals contribute toward the cost of fees that vary with the type and complexity of the service provided. The wife or female dependent of the insured person also receives maternity benefits on the same basis as an insured female.

Administrative Organization

Sickness benefit: National Institute of Medical Insurance including 10 district units.

Maternity benefit: Ministry of Labor, Family and Social Affairs.

Benefits are paid by social work centers.

Work Injury

Regulatory Framework

First law: 1922.

Current law: 1992, 1993, 1996, 1998, 1999, 2001 amendments for health insurance; 1999, 2000, and 2001 for pension and invalidity.

Type of program: Social insurance system.

Coverage

Employees, self-employed persons, farmers, and other persons insured under the pension and invalidity scheme, including students in secondary and tertiary education undertaking a work placement, professional excursions, or paid work; physically and mentally disabled individuals in professional training, in work placements, or attending practical training; unemployed persons performing public work; volunteers; and prisoners.

Source of Funds

Insured person: The contributions for temporary and long-term incapacity benefits are taken from the insured's combined contribution for Old Age, Disability, and Survivors and Sickness (see above). Self-employed persons and farmers pay 0.53% of the insurance base for Old Age, Disability, and Survivors (if covered) for temporary incapacity; and the contribution for long-term incapacity is taken from the insured's combined contribution for Old Age, Disability, and Survivors and Sickness (see above).

Employer: The contribution for temporary incapacity is 0.53% of payroll. The contribution for long-term incapacity is taken from the combined contribution for Old Age, Disability, and Survivors and Sickness (see above).

Government: The government makes up any deficit caused by a decline in contribution rates for permanent disability benefits.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Paid at 100% of base earnings for a temporary absence from work due to an occupational disease or work injury. Base earnings are calculated as the average monthly gross wage received in the calendar year preceding the year in which the temporary disability occurred. Benefits are paid from the first day of incapacity until recovery or until entitlement to permanent disability benefit.

Permanent Disability Benefits

Paid at a minimum of 83% of the base earnings. The benefit calculation is the same as that made for permanent disability pension under Old Age, Disability, and Survivors (see above).

The minimum base earnings will be reduced by 0.5% each calendar year until 2025 (men) and 2023 (women).

Survivor Benefits

Survivor pension (minimum): 70% of the pension awarded or accrued to the insured is paid for one survivor; a combined total of 80% is paid for two survivors, a combined total of 90% is paid for three survivors; a combined total of 100% is paid for four or more survivors.

Eligible survivors are the widow or widower; children under age 15 (age 26 if a student); a dependent mother age 51 and 6 months and a dependent father age 56 and 6 months in 2002 or disabled; dependent grandchildren, brothers, and sisters.

Benefit adjustment: Adjusted twice a year according to the growth of average salaries.

Administrative Organization

Institute for Pension and Disability Insurance and Institute of Health Insurance.

Unemployment

Regulatory Framework

First law: 1927.

Current laws: 1991, 1992, 1993, 1994, 1998, and 2000.

Type of program: Social insurance system.

Coverage

Employed persons in industry, commerce, and agriculture; public employees; and members of handicraft and fishery cooperatives.

Source of Funds

Insured person: 0.14% of gross wage.

Employer: 0.06% of payroll.

Government: The government provides subsidies.

Qualifying Conditions

Full-time employment with the same or different employers during 12 months in the last 18 months prior to becoming involuntarily unemployed and be registered with the Employment Agency within 30 days of the termination of employment; seasonal workers employed for a definite period must have 12 months of insurance in the last 18 months after the conversion of their working hours into the full-time equivalent. Individuals must be capable of, available for, and actively seeking employment.

Unemployment Benefits

Benefit is 70% of the basis for the first 3 months and 60% thereafter. The basis is calculated as the average monthly earnings in the 12 months prior to the termination of employment.

The duration of payment is related to the length of the contribution period: 3 months of payment for an insurance period of 1 to 5 years; 6 months of payment for 5 to 15 years; 9 months of payment for 15 to 25 years; 12 months of payment for 25 years; 18 months of payment for insured persons over 50 years of age with an insurance period of more than 25 years; 24 months of payment for insured persons over 55 years of age with an insurance period of more than 25 years.

Administrative Organization

Employment Service of Slovenia.

Family Allowances

Regulatory Framework

First law: 1949.

Current law: 1993.

Type of program: Universal system.

Coverage

Families with children residing permanently in Slovenia.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Paid to a parent or a third person if the child is under age 18 (age 26 if a student, if in training, or with a serious infirmity), a citizen, or is entitled under the conditions of international law.

Family Allowance Benefits

Family allowances: Eight income categories ranging from a maximum for those earning 15% or less of the average monthly national wage in the calendar year prior to the application down to a minimum level for those earning between 75% and 99%. Higher rates are awarded for the second and third child; thereafter the benefit for each subsequent child is paid at the same rate as to the third child.

Special child-care allowance: Paid to families with a child aged 17 years and under (up to age 26 if in education) with a need for special medical care. Payments of 18,000 tolar (36,000 tolar for a child in need of 24-hour care) are made on a monthly basis.

Benefit adjustment: Periodically according to the growth in prices of basic necessities.

Administrative Organization

Ministry of Labor, Family and Social Affairs.

Benefits paid by social work centers.

Spain

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1919.

Current law: 1994.

Type of program: Social insurance system.

Coverage

Employees in industry and services (classified according to 11 occupational classes).

Special systems for agricultural workers and small farmers, domestic servants, self-employed, seamen, and coal miners.

Source of Funds

Insured person: 4.7% of covered earnings based on wage classes that vary according to 11 occupational classes.

Employer: 23.6% of earnings according to 11 occupational classes.

Government: Annual subsidy.

Maximum earnings for contribution and benefit purposes are •2,574.90 a month for classes 1 to 7 and a maximum daily base of •85.83 for classes 8 to 11.

Qualifying Conditions

Old-age pension: Age 65 (lower for difficult, dangerous, or unhealthy work); age 64 if the post of the retiring worker is to be taken by a person registered as unemployed; 15 years of contributions, including 2 years of contributions in last 15 years. Retirement from employment is necessary.

Early pension: Age 61 with 30 years of contributions if involuntarily unemployed and registered as a job seeker for at least 6 months before applying for the pension. Paid at a reduced rate.

Under transitional provisions, entitlement to a reduced pension at age 60 (legislation before January 1, 1967) is also still in effect.

Payable abroad if reciprocity exists.

Disability pension: Loss of normal earning capacity. If under age 26, contributed for 1/2 of the time between age 16 and the onset of disability; if over age 26, contributed for 1/4 of the time from age 20 to the onset of disability, with at least 5 years of contributions and at least 1/5 of the required contributions in the last 10 years.

Widow and widower pension: Deceased had 500 days of contributions in the last 5 years and died from a common

illness, was a pensioner at the time of death, or had at least 15 years of contributions.

Old-Age Benefits

Old-age pension: 50% of benefit base for the first 15 years of contributions, plus 3% for each year between 16 and 25 years of contributions, and 2% for each year beginning with the 26th year, up to a maximum of 100%. Since January 1, 2002, the amount may exceed 100% for those who retire at age 66 or later and who have at least 35 years of credited contributions. The value of 2% of the benefit base is added for each deferred year. The benefit amount cannot exceed the maximum public pension benefit in effect.

Minimum pension: The minimum pension at age 65 is •385.50 a month; •453.98 with a dependent spouse.

Early pension: A reduced pension is payable if under age 65. Early pensions are reduced by 8% for each year less than age 65 for persons who have 30 years of contributions, by 7.5% if 31 to 34 years of contributions, by 7% if 35 to 37 years of contributions, by 6.5% if 38 to 39 years of contributions, by 6% if 40 years or more of contributions. The minimum early pension is •343.87; •406.16 with a dependent spouse.

Schedule of payments: There are 14 payments a year.

Benefit adjustment: Periodic adjustment of pensions each year according to the anticipated changes in the consumer price index for that year.

Permanent Disability Benefits

Disability pension: For permanent total (all work) disability, the award is 100% of the benefit base up to maximum earnings for contribution purposes. For permanent total (occupational) disability (100% loss of working capacity in own trade or profession), the award is 55% of the benefit base, plus 20% if aged 55 years or over.

Permanent total disability (all work): The minimum award, if age 65, is •385.50 a month; •453.98 with a dependent spouse.

Permanent total disability (occupational): The minimum award, if age 65, is •385.50 a month; •453.98 with a dependent spouse.

Permanent total disability (third-person assistance): The minimum award is •527.27 a month; •680.97 with a dependent spouse.

If the disability is not caused by a work injury or an occupational disease occurring at age 65 or older, and the person does not meet the old-age pension qualifying conditions, the pension benefit is calculated subject to the assessed degree of disability and 50% of the benefit base.

Constant-attendance supplement: 50% of the value of the pension.

Schedule of payments: There are 14 monthly payments a year.

Permanent partial disability: A lump-sum award equal to the value of 24 times the monthly benefit base for temporary disability that may result in permanent disability.

Schedule of payments: There are 14 payments a year.

Benefit adjustment: Periodic adjustment of pensions each year according to anticipated changes in the consumer price index for that year.

Survivor Benefits

Widow and widower pension: 46% of either the survivors' or pensioners' benefit base, whichever is higher; for survivors with income below a government-set level, the benefit is 50% of income (70% of the benefit base with dependents).

A widow(er) or a surviving ex-spouse who remarries is not eligible unless the beneficiary is 61 years or older at the time of remarriage, receives a permanent disability pension (all work or third-person assistance), is at least 65% disabled; the survivor pension represents 75% of the pensioner's total income; or the newly married couple's income does not exceed two times the minimum wage (if the income exceeds this level, the amount of the pension will be decreased proportionately).

Minimum pension: The minimum pension is •274.39 a month for persons younger than 60 years without dependent children; •343.87 with dependents. For survivors aged 60 to 64, •343.87; aged 65, •385.50.

Orphan's pension: 20% of the benefit base for each orphan under age 18 if not working (age 22 with one surviving parent; age 24 for a full orphan). If working, annual income must be less than 75% of the minimum wage. The same rules apply to grandchildren and siblings. There is no limit if disabled.

Minimum orphan's pension: The minimum pension is •111.54 a month for each orphan (younger than either age 18 or age 22; age 24 if a full orphan). If there is only one orphan, •385.93 a month; if there are other surviving children, the individual pension is increased by •274.39 and divided by the number of orphans.

Other eligible survivors: Dependent parents; minor or disabled siblings; children or siblings over age 45; single, widowed, separated, or divorced spouses, under certain circumstances. Entitlement is 20% of the appropriate base, which can be increased by 45% of the widow's pension if there is no surviving spouse or eligible surviving children.

Maximum survivor pension: The maximum widow or widower pension and orphan's pension is 100% of the benefit base.

Funeral grant: •30.05.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

General Treasury of Social Security administers the economic resources of the social security system.

National Institute of Social Security administers and pays cash benefits.

National Institute of Social Services administers benefits in kind.

Sickness and Maternity

Regulatory Framework

First laws: 1929 (maternity) and 1942 (sickness).

Current law: 1994.

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Employees in industry, commerce, and services. Pensioners covered for medical benefits.

Special systems for agricultural workers and small farmers, domestic servants, self-employed, seamen, and coal miners.

Source of Funds

Insured person: See contributions for Old Age, Disability, and Survivors, above.

Employer: See contributions for Old Age, Disability, and Survivors, above.

Government: Annual subsidy.

Maximum earnings for contribution and benefit purposes are •2,574.90 a month for classes 1 to 7 and a daily maximum base of •85.83 for classes 8 to 11.

Qualifying Conditions

Cash sickness benefits: 180 days of contributions during the last 5 years.

Cash maternity benefits: 180 days of contributions during the 5 years prior to childbirth or the official date of the fostering (or the adoption) of the child.

Medical benefits: Currently insured, a pensioner or a recipient of periodic social security benefits. There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 60% of benefit base payable for the 4th to the 20th day (employer pays from first through the 15th day), thereafter 75% of the benefit base for up to 12 months (may be extended to 18 months; 30 months in special cases).

Maternity benefit: 100% of benefit base payable for 16 weeks; 18 weeks for each child in the case of multiple births. If a child under age 6 is adopted or in foster care, payable for 16 weeks (extra 2 weeks for second and subsequent adopted or fostered children). If the mother does not meet the qualifying conditions, benefit is payable to the father for 6 fewer weeks. If both parents are employed, the benefit can be shared between the mother and father and the leave may also be taken on a part-time basis. The timing of the payment period can be adjusted in cases of premature birth and the extended hospitalization of the child.

Workers' Medical Benefits

Medical services provided to patients directly through facilities of the National Health Institute, the regional autonomous health services, or by contracted doctors and hospitals. Benefits include general and specialist care, hospitalization, medicines, dental care, maternity care, laboratory services, appliances, and transportation. Patient generally pays 40% of the cost for medicines outside hospital. Medicines are free when dispensed by social security facilities or to pensioners. In the case of some specific and chronic listed diseases, the beneficiary pays 10% of the cost up to a maximum of •2.64. When the cost of the prescribed medicine is higher than the reference cost, the beneficiary pays the difference. There is no limit to duration, except in certain cases.

Dependents' Medical Benefits

Same as for insured persons (except duration may be shorter in certain cases).

Administrative Organization

Ministry of Labor and Social Affairs and the Ministry of Health and Consumers provide general supervision.

National Institute of Social Security administers and pays cash benefits.

General Treasury of Social Security administers the resources of the social security system.

Ministry of Health and Consumers, through the National Health Institute, operates its own medical centers.

Regional autonomous communities provide benefits through their health services.

Work Injury

Regulatory Framework

First law: 1900.

Current law: 1994.

Type of program: Social insurance system.

Coverage

Employed persons. Special systems for some categories.

Source of Funds

Insured person: None.

Employer: 0.81% to 16.20% of payroll, according to the assessed risk. The average contribution rate is 1.98%.

Government: None.

The maximum earnings for contribution and benefit purposes are •2,574.90 a month.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. As of January 1, 2002, entitlement to a disability pension due to a work injury or an occupational disease has been extended to those who sustained the work injury or who were diagnosed with a professional disease at age 65.

Temporary Disability Benefits

75% of benefit base. The calculation of the benefit base also includes the extra number of hours worked during the 12 months prior to the work injury. Benefit is payable from the day following work injury for up to 12 months; may be extended to 18 months and, in exceptional cases, to 30 months.

Permanent Disability Benefits

Permanent disability pension: For all degrees of disability, the award is calculated according to the wage of the insured at the time the disability occurred.

Constant-attendance supplement: See Old Age, Disability, and Survivors, above.

Workers' Medical Benefits

All necessary care, medicine, appliances, and rehabilitation. There is no limit on duration.

Survivor Benefits

Survivor pension: Same as the survivor pension under Old Age, Disability, and Survivors, above.

Orphan's pension: Same as the orphan's pension under Old Age, Disability, and Survivors, above.

Other eligible survivors: Same as under Old Age, Disability, and Survivors, above.

Lump-sum benefits: Lump sums are provided for needy dependent parents who are not entitled to a pension.

Minimum pension: The minimum pension is the same as under the disability program of Old Age, Disability, and Survivors, above.

Funeral grant: •30.05.

Administrative Organization

Ministry of Labor and Social Affairs and Ministry of Health and Consumers provide general supervision.

National Institute of Social Security pays benefits.

Unemployment

Regulatory Framework

First law: 1919.

Current law: 1994.

Type of program: Compulsory insurance system.

Coverage

Employees in industry and services, railway employees, miners, and seamen. Excluded groups include the self-employed.

Special systems for agricultural workers and members of cooperatives.

Source of Funds

Insured person: 1.55% of base for contribution if employment contract is permanent; 1.6% if employment contract is fixed-term, regardless of occupational class.

Employer: 6% of payroll per employee if the employment contract is permanent; for fixed-term contracts the contribution is 6.7% for full-time work or 7.7% for part-time work (7.7% for full-time or part-time employment provided through an agency specializing in temporary work contracts). Contribution rates apply to all employees regardless of their occupational class.

Government: Variable subsidies.

The maximum earnings for contribution and benefit purposes are •2,574.90 for occupational classes 1 to 7 and a maximum daily base of •85.83 for classes 8 to 11.

Qualifying Conditions

Unemployment benefit: Entitlement is based on having 12 months of contributions during the last 6 years, registration at the employment office, and unemployment not being due to the refusal of a suitable job offer or training. The duration of the benefit varies with the number of days of contributions. The maximum duration of benefit is 720 days with 2,160 days or more of contributions.

Unemployment Benefits

70% of average covered earnings during the last 6 months for up to 180 days; 60% after 180 days.

The maximum benefit is 170% of the minimum interprofessional salary, with a possible increase to 220% for workers with children.

The minimum benefit is 75% of the minimum wage; or 100% of the minimum interprofessional salary if at least one child is in the beneficiary's care.

Unemployment assistance: Unemployment assistance is provided to workers who have exhausted their benefit entitlement or are not covered. The assistance is 75% of the minimum interprofessional salary for 6 months (and may be

extended for two additional 6-month periods to 18 months) if earning less than 75% of the minimum interprofessional salary.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

National Employment Institute administers the program.

Family Allowances

Regulatory Framework

First law: 1938.

Current law: 1994 and 2000 (measures to improve family protection).

Type of program: Employment-related program.

Coverage

Contributory system: All employees, social security pensioners, and persons receiving cash sickness benefits who have one or more eligible children.

Noncontributory system: All Spanish citizens and legal resident aliens not entitled to child social security benefits or benefits from any other public system.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: Pays for noncontributory pensions from general revenues.

Qualifying Conditions

Family allowances: Child must be under age 18 (no limit if at least 65% disabled). No minimum contribution requirement.

Income-tested allowance: Family income is under •7,954.07 per year for a family with one child, increased by 15% for each additional child. If the child is disabled, there is no income limit.

Birth grant: A lump-sum benefit is paid on the birth of a third child. The lump sum is payable to the mother, the father, or the legal guardian or custodian if the family income does not exceed the base income established for the family allowance.

Multiple births grant: A lump-sum benefit is payable to the mother, the father, or the legal guardian or custodian in the event of multiple births. No income limit.

Family Allowance Benefits

Family allowances: For a child under age 18, the allowance is •291.01 a year; •581.66 a year if the child is at least 33% disabled; •3,012.00 per year if at least 65% disabled; •4,518.00

per year if 75% or more disabled and requires the help of another person to complete essential tasks and undertake the daily routine.

Birth grant: A lump-sum benefit of •450.76 is paid on the birth of the third and subsequent children.

Multiple births grant: For the birth of twins, the lump sum is equal to four times the minimum interprofessional salary; for the birth of triplets, the lump sum is equal to eight times the minimum interprofessional salary; for four or more births, the lump sum is equal to twelve times the minimum interprofessional salary.

For multiple births, the lump sum can be paid at the same time as for the birth grant for the third and subsequent children.

In 2002, the minimum interprofessional salary is •442.20 a month.

Administrative Organization

Ministry of Labor and Social Affairs provides general supervision.

National Institute of Social Security and the Treasurer General of Social Security pay benefits.

Sweden

Exchange rate: U.S.\$1.00 equals 10.44 kronor.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1913.

Current laws: 1962, 1976 (partial pension based on part-time work), and 1998 (implemented in 1999).

Type of program: Dual universal and social insurance systems (old system) and unified social insurance plus mandatory private accounts (new system).

Note: In 1999, a new social insurance system plus mandatory private “premium pension” accounts was established. There will be a gradual transition from the old system to the new for persons born between 1938 and 1953. Persons born in 1954 and later are completely within the new system; those born in 1937 or earlier will remain entirely within the old system.

Coverage

Universal old-age pension (old system): All residents.

Earnings-related pension (old system): All employees and self-employed persons earning over increased base amount. As of January 1999, the entire base amount is used in the computation. The base amount and the increased base amount are established each year by the government on the basis of the consumer price index. As of January 2002, the base amount is 37,900 kronor and the increased base amount is 38,700 kronor.

Earnings-related pension (new system): All employed and self-employed residents.

Premium pension (new system): All employed and self-employed residents.

Guarantee pension: All residents.

Source of Funds

Since 1999, the old and the new system have had the same source of funds.

Insured person: 7% of assessable income (up to 7.5 times the increased base amount).

Self-employed person: 10.21% of assessable earnings.

Employer: 10.21% of payroll.

Note: The combined total of the insured person and employer contributions is 16% to the earnings-related component and 2.5% to the premium account.

Government: The total cost of the guarantee pension in the new system, the universal pension for those who have no earnings-related pension in the old system, and the partial pension.

Qualifying Conditions

Universal old-age pension (old system): Age 65 (aged 60 to 64 with reductions, deferral until age 70 with increments). Residence in Sweden, or credited with pension points, for at least 3 years. A full basic pension requires 40 years’ residency during ages 16 to 64 inclusive, or 30 years with pension points. The pension is reduced by 1/40 or 1/30, respectively, for each year that residency or pension points fall short.

Payable abroad to Swedish citizens entitled to earnings-related benefits.

Earnings-related pension (old system): Age 65 (aged 60 to 64 with reductions, deferral until age 70 with increments). Three years’ coverage.

Partial pension: Pension based on part-time work (aged 61 to 64), reduced work schedule, fulfilled certain conditions before entitlement, and 10 years’ earnings-related coverage after age 45.

Earnings-related pension (new system): Flexible retirement age from age 61. Based on all lifetime earnings reported to the scheme from age 16. Must have years with earnings in excess of 24% of the base amount (earnings above 7.5 times the increased base amount are excluded).

Premium pension (new system): Based on all lifetime earnings reported to the scheme from age 16.

Guarantee pension: Three years of residence.

Disability pension: The universal disability pension and the earnings-related disability pension are granted in relation to the assessed degree of disability at 3/4, 1/2, or 1/4 of a full pension.

Survivor pension: For the universal pension, the insured was resident in Sweden, or credited with pension points, for at least 3 years. For the earnings-related pension, the deceased was pensioner or had 3 years’ coverage.

Note: Transitional rules introduced on January 1, 1990, apply to the survivor pension program.

Old-Age Benefits

Universal old-age pension (old system): 96% of current base amount, multiplied by the accrued number of fortieths or thirtieths, to a single pensioner; or 78.5% to a married pensioner.

Earnings-related pension (old system): 60% of the current base amount multiplied by insured’s average annual number of pension points in the 15 years with most points. Number of pension points in a year equals the difference between worker’s covered earnings and the year’s base amount divided by the base amount. Limit is 7.5 base amounts (full pension is 30 years’ coverage; for shorter coverage, pension is reduced accordingly).

For both universal and earnings-related pensions, aged 61 to 64 with permanent 0.5% reduction per month, deferral until age 70 with permanent increment of 0.7% per month.

Earnings-related pension (new system): System of notional accounts. Pension formula consists of annual index based on the development of average wages reported to the pension system (disability pension payments are counted as earnings for this purpose) plus an annuity factor depending on average life expectancy at the time of retirement for the appropriate age cohort and on a “norm” for expected increase of average wages in future years. Pension payments will be calculated by dividing total accrued pension assets by this factor. Life expectancy is based on the most recent average unisex life expectancy statistics over a 5-year period.

The “norm” for increase in average wages is set at 1.6% and is used for annual adjustment of pensions in current payment as well as for calculating the first-year pension amounts.

Premium pension (new system): Insured contribution plus net returns converted into an annuity; can be individual, joint, fixed, or variable.

Permanent Disability Benefits

Universal disability pension: 90% of reduced current base amount, multiplied by the accrued number of fortieths or thirtieths, to a single pensioner (72.5% to a married pensioner).

Supplements: 112.9% of reduced base amount with accruals, if ineligible for earnings-related pension.

Constant-attendance supplement: Up to 65% of base amount; wife, aged 60 (see old-age pension, above).

Partial disability: 3/4, 1/2, or 1/4 of a full pension.

Earnings-related disability pension: Computed same as old-age pension except credit is given for years up to age 65 if certain prior coverage requirements are met. Partial disability is 3/4, 1/2, or 1/4 of a full pension.

Benefit adjustment: Annual automatic adjustment of benefits as the base amount is adjusted.

Survivor Benefits

Universal survivor pension (widow and widower):

Adjustment pension is payable for 6 months if at least 5 years’ marriage or cohabitation (under certain conditions); or payable for as long as living with a child under age 12. The maximum pension is 90% of the reduced base amount. A special survivor pension is paid if illness or unemployment prevents self-support.

Orphan’s pension: 25% of the reduced base amount, 50% if a full orphan. Paid to age 18 (age 20 if a student).

Benefit adjustment: Annual automatic adjustment of benefits as the base amount is adjusted.

Earnings-related survivor pension (widow and widower):

Adjustment pension is payable for 6 months, up to 40% of pension of deceased.

Orphan’s pension: 30% of pension of the deceased (increased by 20 percent per child if more than one).

Total survivor pension not to exceed 100% of pension of deceased.

Transition rules apply to women born before 1945. Universal pension is 90% of current base amount if widow has child under age 16, or is age 50 and married 5 years at husband’s death. If aged 36 to 49, no children, and married 5 years of more, full pension is reduced by 1/15 for each year under age 50. For earnings-related pension, widow receives 40% of projected or actual pension of deceased, or 35% if she has children. Women born in 1945 or later may also be covered by transition rules.

Administrative Organization

Under central administration and supervision of National Social Insurance Board.

Regional and local social insurance bodies administer program.

Premium Pension Agency administers funded portion of new system.

Contributions of self-employed are paid with income tax; those of employers are collected by tax authorities at the source in conjunction with employers’ income tax payments.

Earnings-related pension fund is managed by six tripartite boards from different kinds of employment and with different investment policies.

A seventh board administers assets in the funded part of the new scheme.

Sickness and Maternity

Regulatory Framework

First laws: 1891 (cash benefits) and 1931 (medical benefits).

Current laws: 1962 and 1991 (sick pay act).

Type of program: Dual social insurance (cash benefits) and universal (medical care) system.

Coverage

Cash benefits: Gainfully occupied persons earning 6,000 kronor a year or more.

Medical benefits: All residents.

Source of Funds

Insured person

Cash benefits: Employee, no contribution; self-employed persons, 8.23% of earnings.

Medical care: No contribution.

Employer

Cash benefits: 7.5% of payroll.

Medical care: No contribution.

Government

Cash benefits: None, at present;

Medical care: Total cost met by regional councils.

Qualifying Conditions

Cash sickness benefit: Income from employment unless involuntarily unemployed.

Cash maternity benefits (parents' cash benefits): Each parent is eligible for benefits above guaranteed level (120 kronor a day) if insured for at least 240 days before childbirth.

Pregnancy cash benefit: For pregnant employee in physically demanding job whose employer is not able to transfer her to less demanding work.

Sickness and Maternity Benefits

Sickness benefit: 80% of income loss from day 15 based on income up to 7.5 times base amount. Payable from 15th day of incapacity for duration of illness, 7 days a week. Pensioners with income from work are limited to 180 days. (Employer pays days 2 to 14 at 80% of income loss.)

Self-employed and other qualifying nonemployees receive 80% of income loss from day 2.

The maximum daily benefit is 623 kronor.

Benefits are subject to taxation.

Parents' cash benefit (for childbirth): Replaces 80% of income loss for 390 days (guaranteed level is 120 kronor a day), and an additional 90 days at 60 kronor a day. Benefits payable up to 480 days (per child) until child is age 8 (both parents combined). Benefits are subject to taxation.

Pregnancy cash benefit: Same as sickness benefit, payable for 50 days, beginning not earlier than 60 days nor later than 11 days before expected date of birth.

Temporary benefit: Care of children under age 12 (age 16 if chronically ill or disabled). Similar to sickness benefit above. Payable for 60 days per child per year (both parents combined) on occasions when the child or the child's carer is sick. Additional 60 days per child for the sickness of a child or the child's carer. Additional 60 days per child (not for sick carer).

Benefit adjustment: Annual automatic adjustment of benefits as the base amount is adjusted.

Workers' Medical Benefits

Medical benefits: For doctor's consultation, patient pays 100 kronor to 260 kronor per visit (an additional 30 kronor to 80 kronor for home visit). For hospitalization in ward (including maternity ward) of public hospital, patients pay maximum of 80 kronor a day (reduced for low-income earners). Other benefits include refund of part of travel costs; free dental care for children up to age 18; fixed subsidies for preventive dental care, high-cost limit for prosthetic treatment, and free insulin. Patient pays full cost of other medicines up to 900 kronor in a 12-month period, partial cost thereafter not to exceed 1,800 kronor per year. The maximum is 900 kronor per year for other kinds of medical services.

Pensioners pay maximum of 80 kronor per day for hospital care (limited to 1/3 the amount of pension received).

Dependents' Medical Benefits

Medical benefits for dependents: Same as for family head.

Administrative Organization

Cash benefits: Under central administration and supervision of National Social Insurance Board.

Regional and local social insurance offices administer program.

Contributions of employed and self-employed are paid with income tax; those of employers are collected by tax authorities from employers in conjunction with employers' income tax payments.

Medical care: Under central supervision of National Board of Health and Welfare.

Regional councils administer and finance program.

Work Injury

Regulatory Framework

First law: 1901.

Current laws: 1962 (social insurance), 1976, and 1991 (sick pay).

Type of program: Social insurance system.

Coverage

All employed and self-employed persons.

Source of Funds

Insured person: Employee, none; self-employed, 1.38%.

Employer: 1.38% of payroll.

Government: None.

Maximum earnings for purposes of contribution and for benefit payments under temporary disability are 7.5 times base amount.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefits are identical to those provided under sickness benefit (see above).

Permanent Disability Benefits

Permanent disability pension: If loss of income capacity is 100%, benefit is 100% of income up to maximum of 7.5 times base amount.

Partial disability: If loss of income capacity is 1/15 or more, benefit is proportionate to degree of lost income capacity.

Benefit adjustment: Annual automatic adjustment of benefits as the base amount is adjusted.

Workers' Medical Benefits

Medical benefits: Same benefits as provided under sickness benefit, see above.

Survivor Benefits

Survivor pension: Adjustment pension is payable for 6 months if at least 5 years' marriage or cohabitation (under certain conditions); or payable for as long as living with a child under age 12.

Survivor benefit: 45% of income of the deceased, 20% if children under age 12. A special survivor pension is paid if illness or unemployment prevent self-support.

Orphan's pension: 20% to 40% of disability pension of the deceased for orphan under age 18 (under age 20 if invalid).

Funeral grant: 30% of the base amount at time of death.

Benefit adjustment: Annual automatic adjustment of benefits as the base amount is adjusted.

Administrative Organization

Under central administration and supervision of National Social Insurance Board.

Regional and local social insurance offices administer program.

Unemployment

Regulatory Framework

First law: 1934.

Current law: 1998.

Type of program: Single subsidized program consisting of basic insurance and a voluntary intercorrelated insurance system.

Coverage

Voluntary component: Employed and self-employed persons under age 65.

Basic component: Employees and persons seeking employment if over the age of 20 and under the age of 65 and ineligible for the intercorrelated insurance. Membership in unemployment insurance funds is usually compulsory for union members, but all funds must be open to voluntary affiliation for any employee in the branch of work or field of activity concerned.

The complementary fund is open to affiliation by all employees and self-employed regardless of field of activity. About 80% of all employees belong to unemployment insurance funds.

Source of Funds

Insured person: For the voluntary program, the insured pays 69 kronor to 238 kronor a month, according to the fund (covers about 7% of cost); for the basic program, no contribution.

Employer: None.

Government: Contributes approximately 93% of cost through appropriation.

Qualifying Conditions

Unemployment benefits: Unemployed and registered as a jobseeker at the public employment service. Both able and willing to accept a suitable job for at least 3 hours per day and at an average of 17 hours per week. Unemployment not due to voluntary leaving, misconduct, or refusal of suitable job or training (suspension for 20 benefit days to 60 benefit days).

Employed for a minimum of 6 months (at least 70 hours per month) or for at least 450 hours during a continuous 6-month period, both during the last 12 months prior to unemployment.

Membership in intercorrelated fund for 12 months.

Basic unemployment benefit is available to a student who does not fulfill principal qualifying conditions (above), has finished at least 1 year of full-time studies, and has been registered as a jobseeker for at least 90 days within 10 months of the studies having ended.

Unemployment Benefits

Basic unemployment benefit is 270 kronor a day. Benefits are subject to taxation. Payable up to 300 days per unemployment spell, 5 days per week.

Administrative Organization

Under the central administration and supervision of the National Labor Market Board.

There are 38 unemployment insurance funds in operation, including the complementary fund.

Family Allowances

Regulatory Framework

First and current law: 1947.

Type of program: Universal system.

Coverage

All residents with one or more children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Child must be under age 16 (under age 20 if student, age 23 if attending school for children with learning difficulties).

Family Allowance Benefits

Family allowances: 950 kronor a month per child. A supplement is payable to families with three or more children.

Administrative Organization

Under the central administration and supervision of National Social Insurance Board.

Regional and local social insurance offices administer the program.

Switzerland

Exchange rate: U.S.\$1.00 equals 1.65 francs.

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1946 (old-age and survivor pensions); 1959 (disability pensions); 1982 (occupational pensions).

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

Coverage

Base pension: All persons domiciled in Switzerland or those who are gainfully employed there. Swiss citizens and citizens of EU countries who live in a country may join voluntarily if they have been insured for at least 5 years without interruption.

Mandatory occupational pension: Employees whose earnings exceed 24,720 francs annually (maximum old-age base pension for single person). Persons who are unemployed as of July 1997 are insured for disability and survivors benefits. The self-employed may insure on a voluntary basis.

Source of Funds

Insured person

Base pension: 4.2% of earnings for old-age and survivors, 0.7% for disability insurance. No maximum earnings for contribution purposes for base pension. Self-employed, 7.8% of income for old-age and survivors and 1.4% for disability (according to a decreasing scale of contributions).

Mandatory occupational pension: Contributions vary from 7% to 18% (depending on age and gender) on income between 24,720 francs and 74,160 francs.

Employer

Base pension: 4.2% of payroll for old-age and survivors, 0.7% for disability.

Mandatory occupational pension: Contribution is at least equal to employee's contribution.

Government

Base pension: Annual subsidies to social insurance system cover about 20% of cost for old-age (16.36% from federal government, 3.64% from cantons) and 50% of cost for disability (75% from federal government, 25% from cantons).

Mandatory occupational pension: None.

Qualifying Conditions

Old-age pension

Base pension: Age 65 (men) or 63 (women). The age requirement for women will be 64 in 2005. A full pension requires that contributions be made in all years from age 21. A

partial pension is payable for shorter insurance periods; however, at least 1 year's contribution is required in order to make a claim for any pension.

Mandatory occupational pension: Payable at age 65 (men) or age 63 (women).

Disability pension

Base pension: Full pension if at least 66.6% disabled. Half pension, if at least 50% disabled. Quarter pension if at least 40% disabled (half pension if at least 40% disabled in special cases). To receive a full pension, the insured must make contributions in all years from age 21. Minimum is 1 year of contributions.

Mandatory occupational pension: Full pension if at least 66.6% disabled. Half pension, if at least 50% disabled.

Survivor pension

Base pension: For full pension for widow/widower, the deceased must have contributed from age 21. At least 1 year of contributions is required to receive any pension.

Mandatory occupational pension: Pension paid if widow/widower has children, or if 45 years of age or older and the marriage has lasted for at least 5 years. Orphan's pension paid to orphans younger than age 18 (25 if in education).

Old-Age Benefits

Base pension: If average annual income is less than or equal to 37,080 francs, flat amount of 9,146 francs a year plus a variable amount calculated by multiplying annual income by 13/600; if average annual income is above 37,080 francs, flat amount of 12,854 francs a year plus a variable amount calculated by multiplying average annual income by 8/600.

Minimum and maximum old-age base pensions are 1,030 francs and 2,060 francs a month, respectively. Combined individual pensions of a couple cannot exceed 150% of maximum old-age base pension of 3,090 francs a month.

Partial pension: Percentage of full pension according to relationship between the insured's years of contributions and those of their age group.

Dependent supplement: Each child under age 18 (25 if student), 40% of pension.

Special pension: For Swiss nationals who do not meet the required minimum duration of contribution period.

Benefit adjustment: Adjusted every 2 years for changes in prices and wages.

Mandatory occupational pension: Annual payment of 7.2% of accumulated funds in personal account, with interest.

Benefit adjustment: Adjusted for price increases at same time as base pension.

Permanent Disability Benefits

Base pension: Same arrangement as for old-age pension. Full, half, or quarter pension, depending on degree of disability.

Partial pension: Percentage of payable pension is determined according to the relationship between the insured's years of contributions and those of their age group.

Dependent supplement: Wife, 30% of pension. Child under age 18 (25 if student), 40% of pension.

Special pension: For Swiss nationals who do not meet the required minimum duration of contribution period.

Benefit adjustment: Adjusted every 2 years for changes in prices and wages.

Mandatory occupational pension: Annually, 7.2% of funds that would be accumulated at retirement age. Full pension if 2/3 disabled; half pension if 50% disabled.

Benefit adjustment: Adjusted for price increases at same time as base pension.

Survivor Benefits

Base pension: 80% of pension of insured, payable to widow if caring for child, or if age 45 and married at least 5 years when widowed. Minimum and maximum benefits are 824 francs and 1,648 francs a month, respectively.

Widower's pension: 80% of pension of insured if caring for a child under age 18. Same minimum and maximum benefits as for widow.

Orphan's pension: 40% of pension of insured for each orphan under age 18 (25 if student); 40% if both parents deceased, but not more than 60% of the maximum old-age pension.

Special pension: For Swiss nationals who do not meet the required minimum duration of contribution period.

Benefit adjustment: Adjusted every 2 years for changes in prices and wages.

Mandatory occupational pension: For widows, 60% of full pension payable to insured. For orphans, 20% of full pension of insured for each orphan.

Benefit adjustment: Adjusted for price increases at same time as base pension.

Administrative Organization

Base pension: Under the general supervision of Federal Department of Interior. Federal Social Insurance Office supervises implementation.

Collection of contributions, recording of contributions, and payment of pensions are carried out by decentralized network of cantonal, industrial, and federal compensation funds.

Central compensation office maintains register of all insured persons and pensioners.

Mandatory occupational pension: Under general supervision of Federal Social Insurance Office and cantons.

Administration by registered occupational pension institutes (in 1998 there were 10,409 institutes).

Sickness and Maternity

Regulatory Framework

First law: 1911.

Current law: 1994 (implemented 1996).

Type of program: Mixed compulsory (medical care) and voluntary social insurance (cash benefits) systems.

Coverage

Medical care: All persons living in Switzerland.

Cash benefits: All persons living in Switzerland and involved in gainful activity who are over age 15 but under age 65 can buy insurance that provides daily allowances.

Source of Funds

Insured person

Medical care: Single premium for funds within the same region.

Cash benefits: Premiums vary depending on the fund, benefits for insured, age of entry, and the region.

Employer

Cash benefits: Not required by law, but some collective agreements require employer to share employees' membership fees.

Government

Medical care: Federal subsidies to cantons for reduction of premiums paid by low-income earners. Cantons must add additional assistance.

Cash benefits: None.

Qualifying Conditions

Cash maternity benefits: 9 months (270 days) of membership without interruption of more than 3 months.

Sickness and Maternity Benefits

Sickness benefit: Amount of daily allowance is set by agreement between insurer and insured. Allowance is payable after a waiting period of 3 days, unless agreed otherwise, for up to at least 720 days in a period of 900 consecutive days.

Maternity benefit: Payable for up to 16 weeks, including at least 8 weeks after confinement.

Workers' Medical Benefits

Medical benefits: Comprehensive list of service benefits is set by law. Funds can also provide additional benefits through complementary insurance. No time limit on duration.

Medical care cost-sharing: Patient pays 100% of costs up to ceiling (standard ceiling is 230 francs) and 10% of costs above this ceiling up to a set annual total. In addition, there is a daily

contribution of 10 francs for hospitalization costs (except for insured who live with at least one member of their family). No cost-sharing for maternity care.

Dependents' Medical Benefits

Receive same benefits in own right. Insurance is individual.

Administrative Organization

Federal Office of Social Insurance supervises compliance.

Recognized funds and private insurance companies are authorized to administer and provide health insurance (108 recognized funds in 2001).

Work Injury

Regulatory Framework

First law: 1911 (effective 1918).

Current law: 1981.

Type of program: Compulsory insurance with semipublic or private carrier.

Coverage

All employees; optional coverage for the self-employed. If working time does not exceed 8 hours a week, insurance covers only work-related injuries (including travel to and from work).

Source of Funds

Insured person: None for work injuries, but total cost of insurance against nonoccupational accidents.

Employer: Total cost, at contribution rates varying with risk (0.04% to 17.2%, according to classification).

Maximum earnings for contribution and benefit calculation purposes is 106,800 francs a year.

Government: None.

Qualifying Conditions

Work injury benefit: No minimum qualifying period. Benefits are payable for occupational accidents and disease and nonoccupational accidents.

Temporary Disability Benefits

Benefit is 80% of earnings if totally disabled. Reduced benefit if partially disabled. Payable after 3-day waiting period until recovery or certification of permanent disability.

Permanent Disability Benefits

Permanent disability pension: 80% of insured earnings if totally disabled.

Constant-attendance supplement: Two to six times the maximum insured daily earnings, according to severity of impairment.

Partial disability: Percentage of full pension corresponding to degree of incapacity.

Lump-sum award: For lasting injury according to schedule in law, payable in addition to pensions above.

Benefit adjustment: Pensions adjusted every 2 years for changes in cost-of-living index.

Workers' Medical Benefits

Medical, hospital, and pharmaceutical treatment; prostheses and other necessary care; and travel expenses. No time limit on duration.

Survivor Benefits

Survivor pension: 40% of insured earnings is payable to a spouse who has dependent children or is at least 2/3 disabled or to a widow over age 45.

Widow's settlement: Lump sum of varying amount related to duration of marriage is payable to widow if ineligible for pension.

Orphan's pension: 15% of insured earnings for each orphan under age 18 (25 if student) or 25% if full orphan.

Other eligible survivors: Surviving divorced spouse receives up to 20% of insured earnings.

Maximum survivor pension is 70% of insured earnings. If benefits are payable to both current and divorced spouse, maximum is 90%.

Funeral grant: Lump sum of up to 2,051 francs.

Benefit adjustment: Pensions are adjusted every 2 years for changes in cost-of-living index.

Administrative Organization

Under general supervision of Federal Social Insurance Office.

Managed by the Swiss National Accident Insurance Fund in case of accidents; private insurance companies for employers subject to compulsory insurance; public accident insurance; and approved sickness insurance funds.

Unemployment

Regulatory Framework

First law: 1924.

Current law: 1982.

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: 1.5% of earnings.

Employer: 1.5% of payroll.

Government: If contribution rate attains 2% and reserve fund is not sufficient to cover current expenditures, federal and cantonal low-interest loans to cover deficits.

Maximum earnings for contribution and benefit calculation purposes: 106,800 francs a year. In order to cover deficits accumulated before 1996, 1% additional contribution on earnings between 106,801 francs and 267,000 francs a year.

Qualifying Conditions

Eligibility is based on total or partial unemployment. To be eligible, person must live in Switzerland, have 6 months of employment in last 2 years (waived for certain categories), be willing and able to accept suitable work, and must report once a month to unemployment office.

Unemployment Benefits

Benefit is 80% of last earnings if insured has dependents, earned less than 3,526 francs, or is disabled; 70% in all other cases. Payable after 5-day waiting period.

Maximum duration depends on age: 150 days if up to age 50; 250 days if between ages 50 and 60; 400 days if over age 60. Payment period can be extended to 520 days for those participating in active labor market programs.

Partial unemployment benefit: 80% of lost earnings in case of short-time work for up to 12 months in a 2-year period; or, in case of bad weather, for up to 6 months.

Administrative Organization

Federal Office of Economy approves and supervises unemployment funds.

Federal Social Insurance Office supervises contributions.

Cantonal and regional unemployment funds (public funds) administer program for cantons or regions.

In addition, some funds administer programs for certain professional groups.

Regional placement offices assist unemployed persons in finding employment.

Family Allowances

Regulatory Framework

First and current federal law: 1952 (agriculture only). All cantons have laws, enacted during or after 1943.

Type of program: Employment-related system.

Coverage

Federal program covers agricultural employees and small self-

employed farmers who have one or more children (family allowances) or spouse (housekeeping allowance).

Cantonal programs cover nonagricultural employees with one or more children. Several cantons also cover some self-employed persons, including farmers not covered by federal program.

Employers usually affiliate with family allowance funds; in some cantons, employers may guarantee payment.

Special system for civil servants.

Source of Funds

Insured person: None.

Employer: Agricultural employers, 2% of payroll (federal program). Nonagricultural employers, from approximately 0.1% to more than 5% of payroll, according to canton and fund.

Government: Federal and cantonal governments share residual cost for agricultural employees and total cost for small self-employed farmers (2/3 by federal government, 1/3 by cantonal governments).

Qualifying Conditions

In the federal program, child must be under age 16 (20 if unable to work and not receiving a disability pension, 25 if student). In most cantonal programs, child must be under age 16 (age 18 to 20 if disabled, 25 if student).

Family Allowance Benefits

Federal program pays 165 francs a month for each of the first two children (185 francs in mountain regions); 170 francs a month for the third and each subsequent child (190 francs in mountain regions). Household allowance is 100 francs for each married worker.

In cantonal programs, the legal minimum is 150 francs to 344 francs a month for each child according to canton. Funds often pay higher amount than legal minimum.

Some cantons pay birth grants (600 francs to 1,500 francs). Other cantons pay for vocational training allowances (175 francs to 444 francs a month). Some cantons pay both birth grants and vocational training allowances. In the cantons providing financial support for vocational training, the receipt of vocational training allowances replaces family allowances.

Administrative Organization

Federal program: Cantonal old-age and survivors' insurance funds collect contributions and pay allowances.

Cantonal programs: Administered by numerous public and approved private family allowance funds, supervised by cantonal governments.

Employers usually pay allowances with wages and settle only the surplus or the deficit with the respective fund; see coverage, above.

Ukraine

Exchange rate: U.S.\$1.00 equals 5.25 hryvnias (H).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current law: 1992.

Type of program: Social insurance system.

Coverage

All employees. Special provisions for victims of the Chernobyl catastrophe.

Source of Funds

Insured person: 1% of earnings up to H150 and 2% of earnings for H150 or more.

Employer: 37% of payroll.

Government: Subsidies as needed from central and local governments.

The maximum earning on which contributions are paid is H1,600 per month.

The above contributions also finance benefits for cash sickness, maternity, work injury, and employee family allowances.

Qualifying Conditions

Old-age pension: Age 60 with 25 years of covered employment (men) and age 55 with 20 years of work (women); requirements are reduced by 5 years or more for arduous or hazardous work, for mothers of five or more children, for mothers of disabled children, for disabled veterans, and for other specified categories.

Covered employment includes years spent in higher education, the armed services, caring for disabled persons or for children under age 3, and being unemployed and seeking a job.

Early pension: An early pension is payable to unemployed older workers (for men between age 58 years and 6 months and age 60; for women between age 53 years and 6 months and age 55) who meet the requirements for covered employment and who were working for an enterprise that was liquidated or reorganized.

Disability pension: The insured has a minimum of 1 to 15 years of covered employment, depending on age at the onset of disability.

Total disability (incapacity for any work): Group I disability, requiring constant attendance; Group II disability, not requiring constant attendance.

Partial disability (incapacity for usual work): Group III disability.

Survivor pension: Insured had up to 15 years of work, payable to surviving children whether or not they were dependents of the insured and to nonworking dependents (including the spouse; either parent, if disabled or not yet of pensionable age; and grandparents, if no other support is available).

Social pension: Citizens not eligible for old-age, disability, or survivor pension who are not working.

Old-Age Benefits

Old-age pension: 55% of wage base with 25 years of work (men) or 20 years of work (women), plus 1% of wage for each year in excess of 25 years (men) or 20 years (women). The pension is payable monthly.

Maximum pension: 75% of wage base (H129); 85% for particularly hazardous working conditions.

Minimum pension: H43.

The minimum wage is H140 per month.

Wage base: The wage base equals gross average earnings in the last 2 years or best 5 consecutive years during the worker's career.

Partial pension: If the insured has insufficient years of covered employment, the monthly benefit is reduced in proportion to the number of years below the required number of years of coverage. The minimum partial pension is 50% of the old-age pension.

Supplementary benefits: Benefits are payable to nonworking pensioners with disabled dependents. The supplements are 100% of the minimum old-age pension for each dependent and 50% of the minimum old-age pension for a single pensioner in need of care.

Social pension: Paid to a person who has no insurance coverage. The pension rate varies between H23.3 and H59.

Benefit adjustment: Periodic benefit adjustments according to cost-of-living changes.

Carer's allowance: The allowance is payable monthly to a carer of a person over 80 years old; carer is not otherwise employed but may receive an unemployment benefit.

Permanent Disability Benefits

Disability pension: The total disability pension (Group I) is 70% of earnings; Group II, 60% of earnings.

Partial pension for total disability: If the insured has insufficient years of covered employment, the entitlement is the same as under the old-age pension.

Partial disability (Group III): The monthly pension is equal to 40% of earnings.

Social pension: The pension is between 30% and 200% of the minimum old-age pension, depending on the degree of disability.

Carer's allowance: Payable monthly to a carer of a Group I disabled child under age 16; carer is not otherwise employed but may receive an unemployment benefit.

Benefit adjustment: Periodic benefit adjustments according to cost-of-living changes.

Survivor Benefits

Survivor pension: The pension is payable monthly at 30% of wage base of the insured for each dependent; 40% of earnings for a widow if the spouse died in war.

Minimum pension: 100% of the minimum old-age pension a month.

Partial pension: If the insured has an insufficient period of covered employment, the monthly benefit is reduced in proportion to the number of years below the required number of years of coverage.

Funeral grant: Ten times the minimum wage if an employee, student, or unemployed; 2 months of pension benefits (or ten times the minimum wage, whichever is higher) if a pensioner.

Benefit adjustment: Periodic benefit adjustments according to cost-of-living changes.

Administrative Organization

Ministry of Labor and Social Policy provides general coordination.

Regional and local social protection departments administer the program.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 1972 and 1993.

Type of program: Dual social insurance (cash benefits) and universal (medical care) systems.

Coverage

Cash benefits: Employed persons, those on leave to pursue education and training, those unemployed as a result of enterprise liquidation, the registered unemployed, and military personnel.

Medical care: All residents. Special provisions for victims of the Chernobyl catastrophe.

Source of Funds

Insured person: For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, none; except for voluntary medical insurance policies.

Employer: For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, none.

Government: Total cost of medical care. The cost of universal maternity cash benefits is met by central and local government budgets.

Qualifying Conditions

Cash and medical benefits: No minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 60% of earnings if less than 5 years of service; 80% if 5 to 8 years of service; 100% if 8 years of service or more. The benefit is payable until determination of permanent disability or recovery. The payment of benefit is not to exceed 4 months consecutively, or a total of 5 months per year. Benefits are payable at 100% of earnings for a working parent caring for a sick family member for up to 14 days per case.

Maternity benefit: Payable to employed women at 100% of earnings for 70 calendar days before and 56 days (70 days in the case of a complicated birth or multiple births) after the expected date of childbirth; for women on leave for education and training, the benefit is 100% of the stipend; for women unemployed due to enterprise liquidation, the benefit is 100% of earnings received at the last place of work; for those registered as unemployed for at least 10 months, the benefit is 100% of the minimum wage.

Benefits to members of the armed forces are payable to a spouse at 100% of earnings plus in-kind benefits. Monthly benefits are equal to 100% of the minimum wage paid for child care leave until the child is 3 years old to employed women and for women on leave for education and training; 50% of the minimum wage to eligible unemployed women until the child is 2 years old, or until the child is 3 years old if the family income meets the requirement of the income test.

Workers' Medical Benefits

Medical services are provided directly to patients by government health providers.

Benefits include preventive care, general and specialist curative care, hospitalization, laboratory services, dental care, maternity care, and transportation. The patient ordinarily pays part of the cost of appliances.

Medicines, if provided with hospitalization, are free.

Medicines are also free for disabled children under age 16, children under age 1, and pensioners receiving the minimum pension.

Care in sanatoria and rest homes, with preference being given to workers who may pay part of cost.

Dependents' Medical Benefits

Same as for head of household.

Administrative Organization

Ukrainian Ministry of Labor and Social Policy, Ministry of Finance, and Social Insurance Fund provide general oversight of the program for cash benefits.

Ministry of Labor and Social Policy and social protection departments of local governments administer benefits.

Ministry of Health and health departments of local governments provide general supervision and coordination for medical care.

Ministry of Health and local health departments administer the provision of medical services through clinics, hospitals, maternity homes, and other facilities.

Work Injury

Regulatory Framework

First law: 1912.

Current laws: 1990 (pensions), 1992 (lump-sum cash benefits), and 1999 (mandatory social insurance for work injury and occupational diseases).

Type of program: Dual social insurance (cash benefits) and universal (medical care) system.

Coverage

Cash benefits: All employees.

Medical care: All residents.

Special provisions for the victims of the Chernobyl catastrophe.

Source of Funds

Insured person: For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, see medical benefits under Sickness and Maternity, above.

Employer: For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, see medical benefits under Sickness and Maternity, above.

Government: For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, see medical benefits under Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

100% of earnings. Benefit is payable from the first day of incapacity until recovery, or until the award of a disability pension.

Permanent Disability Benefits

Same as for disability pension under Old Age, Disability, and Survivors, above.

Workers' Medical Benefits

Same as under medical care (see Sickness and Maternity, above), plus full cost of appliances and medicines.

Survivor Benefits

Survivor pension: Same as for survivor pension under Old Age, Disability, and Survivors, above.

Administrative Organization

Ukrainian Social Insurance Funds supervise temporary disability benefits.

Enterprises and employers pay benefits to their own employees.

Ministry of Labor and Social Policy and social protection departments of local governments administer benefits.

Ministry of Health and health departments of local governments provide general supervision and coordination for medical care.

Ministry of Health and local health departments administer the provision of medical services through clinics, hospitals, maternity homes, and other facilities.

Unemployment

Regulatory Framework

First law: 1921.

Current laws: 1991 and 2001.

Type of program: Social insurance system.

Coverage

Working-age citizens. Special provisions for the victims of the Chernobyl catastrophe.

Source of Funds

Insured person: None.

Employer: 0.5% of payroll.

Government: Subsidies as needed from central and local government.

Qualifying Conditions

Unemployment benefit: Registered at an employment office, is able and willing to work, and does not have any other income exceeding the minimum wage. Benefits may be reduced, suspended, or terminated if the worker is discharged

for violating work discipline, leaving employment without good cause, violating conditions for job placement or for vocational training, or for filing fraudulent claims.

Unemployment Benefits

Unemployment benefit: Unemployment is due to enterprise reorganization or liquidation. Benefit is payable at 100% of the average wage of the previous job for 60 days, 75% for the next 90 days, and 50% for following 210 days.

Maximum benefit: Average wage in the region in the last month.

Minimum benefit: The minimum wage.

Unemployment assistance: Payable to unemployed persons who have exhausted the 310 days of unemployment benefits if the monthly average income for each family member does not exceed the taxable minimum wage. The assistance is up to 75% of the minimum wage for 180 days.

Dependent supplement: Payable to unemployed persons after 360 days of unemployment benefits and the 180 days of unemployment assistance. The supplement as a lump-sum payment is equal to 50% of the minimum wage.

Funeral grant: Payable to dependents, family members, or the person undertaking funeral arrangements. The amount of the grant is determined by law.

Administrative Organization

Ministry of Labor and Social Policy provides general policy coordination.

Employment Service and its local offices administer the program.

Family Allowances

Regulatory Framework

First law: 1944.

Current law: 1993.

Type of program: Dual social insurance and social assistance system.

Coverage

Families with children. Special provisions for victims of the Chernobyl catastrophe.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors and Sickness and Maternity, above.

Government: Central and local budget subsidies for allowances for children of unemployed families and of nonworking mothers.

Qualifying Conditions

Family allowances: Large families (three or more children), single mothers with one or more children, and families with one or more disabled children.

Family Allowance Benefits

Family allowances: For children under age 16 (age 18 if a student), the allowance is 50% of the minimum wage per child. For families with three or more children under age 16, the monthly allowance is equal to 100% of the minimum wage; families with four or more children, 200% of minimum wage. Allowances are income-tested.

For single mothers, for widow(er)s not receiving a survivor pension or a social pension, and for children whose father has evaded child support, the allowance is 50% of minimum wage for each child under 16 (age 18 if a student). Allowances are income-tested.

For guardians of children under age 16, the allowance is 200% of the minimum wage. The allowance is income-tested.

For carers of disabled children under age 16, the allowance is 100% of the minimum wage.

Delivery grant: A lump sum equal to four times the minimum wage; an additional 200% of the minimum wage is payable to mothers who undergo a prescribed prenatal care regimen.

Administrative Organization

Ukrainian Ministry of Labor and Social Policy and local departments of social protection administer the program for unemployed families and nonworking mothers.

Employers make payments to employees.

United Kingdom

Exchange rate: U.S.\$1.00 equals 0.69 pounds (£).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1908 (old-age pension), 1911 (disability insurance), and 1925 (old-age and survivors' insurance).

Current laws: 1992 (consolidated legislation), 1995 (pensions), 1999 (welfare reform and pensions), 2000 (child support, pensions and social security).

Type of program: Dual social insurance and social assistance system. Provisions and benefit amounts shown as of April 2001.

Coverage

Basic state retirement pension (flat-rate) and additional pension (commonly called the State Earnings-Related Pension Scheme (SERPS)): Compulsory contributions for employed persons earning £72 a week (the lower earnings level) or more. Employer or employee may contract out of SERPS according to specified conditions.

Basic state retirement pension (flat-rate) only: Compulsory contributions for self-employed persons with net annual income of £3,955 or more.

Voluntary contributions payable by nonemployed persons, employed persons earning below £72 a week, and self-employed persons with annual net income below £3,955.

Source of Funds

Insured person: Employees, 10% on weekly earnings between £87.01 and £575. (Certain married women and widows pay 3.85%.) If contracted out of SERPS, 8.4% on weekly earnings between £87.01 and £575. Contributions cover all benefits (including sickness, maternity, work injury, unemployment benefits, and part of the cost of medical services).

Self-employed person: Flat rate of £2 a week plus 7% of net income between £4,385 and £29,900 a year. Self-employed contributions cover all but unemployment benefits.

Voluntary contributor: Flat rate of £6.75 a week. Contributions cover only flat-rate retirement and widow's benefits.

Employer: 11.9% of employee's earnings over £87 a week; 3% contracted-out rebate, salary-related pension schemes, and 0.6% money purchase schemes. Contributions cover all benefits (including sickness, maternity, work injury, unemployment benefits, and part of the cost of medical services).

Government: Total cost of means-tested allowances and other noncontributory benefits. Also, treasury grant to

contributory programs up to 17% of benefit expenditure per year covers shortfalls.

Maximum earnings for contribution purposes (except for employers, self-employed persons, and nonemployed persons) are £575 a week. Minimum earnings are £72 a week.

15% of above contributions are allocated to the National Health Service toward the cost of medical care.

Qualifying Conditions

Old-age pension: Age 65 (men) or 60 (women, gradually rising to 65 from 2010 to 2020).

Basic state retirement pension (flat-rate): 50 weeks of paid contributions before April 1975 or contributions based on earnings of at least 50 times the lower earnings level in tax years April 1975 to April 1978. Since 1978, contributions have been based on earnings 52 times the lower earnings level. Coverage required for approximately 90% of the years in working life (generally 44 years for women, 49 for men). Pension is reduced proportionately with shorter coverage.

Number of years needed for full pension reduced if caring for child or elderly or disabled relative. No pension is payable if proportion of full pension is less than 25%. Coverage is credited for period covered by claims for certain benefits (such as incapacity benefit, and jobseeker's allowance).

SERPS: Based on contributions paid as an employed person on earnings between the National Insurance lower and upper earnings level in any tax year from April 1978 onward.

SERPS is being reformed through the State Second Pensions (S2P) as of April 6, 2002. The reform aims to boost the additional pensions of low earners and to allow certain carers and long-term disabled people to build up an additional pension for the first time.

Old person's pension (noncontributory retirement pension): Age 80 and ineligible for contributory pension or entitled to a pension of less than £43.40 a week. Resident in UK for 10 years in any 20-year consecutive period after age 60.

Long-term incapacity benefit: Contributions are paid on earnings of at least 25 times the weekly lower earnings level in any 1 tax year (April to March), plus contributions paid or credited on earnings of at least 50 times the weekly lower earnings level in each of the 2 complete tax years before the start of the benefit year (January to December) in which the claim is made. Payable after 52 weeks of disability (as determined by medical test), or after 28 weeks to those who are terminally ill or receiving the highest-rate care component of disability living allowance.

As of April 6, 2001, contributions are paid on earnings to at least 25 times the weekly lower earnings level in 1 of the last 3 tax years before the benefit claim year, plus contributions paid or credited on earnings of at least 50 times the weekly lower earnings level in both of the last 2 tax years before claim starts.

Age addition: Additional amount is payable with long-term incapacity benefit if disability began before age 45. Payable outside UK for temporary absences of up to 6 months.

Severe disablement allowance (noncontributory, no means test): Age 16 to 64, incapable of work for at least 28 consecutive weeks and insufficient contributions for incapacity benefit. If incapacity began after age 20, must also be assessed as 80% disabled. Not available to new claimants as of April 6, 2001, but provision has been made for young people under Incapacity in Youth.

Age additions are also payable with this benefit depending on the age at the date of onset. The additions are paid in age bands: under 40, 40 to 49, and 50 to 59.

Disability living allowance (noncontributory, no means test): Disability starting before age 65 (allowance can be paid beyond the age of 65 if entitlement started before age 65). Usually paid after 3 months of disability (except if terminally ill). Amount determined by care and mobility needs.

Attendance allowance (noncontributory, no means test): Disability starting at age 65 or older. Usually paid after 6 months of disability (except if terminally ill). Lower or higher rate determined by care needs.

Disabled person's tax credit (noncontributory, no means test): In paid work of 16 hours or more per week, with an illness or disability that creates a disadvantage in securing employment. Must have savings of £16,000 or less and be receiving a qualifying benefit such as disability living allowance, attendance allowance, or other disability-related allowances.

Invalid care allowance (noncontributory, no means test): Paid to person earning £72 a week or less (after allowable expenses) who forgoes full-time work to care for severely disabled person (receiving certain qualifying benefits) for 35 hours or more a week. Aged over 16 and under 65 at time of claim. Not in full-time education.

Survivor pension: Deceased met coverage requirements for old-age pension or was pensioner at death.

Widowed parent's allowance: For widowed parent with at least one dependent child under age 19 for whom he or she receives child benefit.

Bereavement allowance: Weekly benefit payable to widows and widowers aged 45 and over without dependent children. Payable for 52 weeks following date of widowhood. The weekly rate of bereavement allowance payable to those age 45 to 54 is related to their age at the date of entitlement.

Bereavement payment: Lump-sum payment of £2,000 payable immediately to help with costs arising on death of husband or wife. Deceased person must have paid National Insurance contributions.

Guardian's allowance: For people bringing up an orphan or, in very limited circumstances, a child with one surviving parent.

Income support (noncontributory, means-tested, social assistance benefit): Available to people with income below certain levels. Amount depends on age, income, and circumstances. Not payable if savings are over £8,000 or if working more than 16 hours a week.

Old-Age Benefits

Basic state retirement pension flat rate: Maximum is £72.50 a week.

Dependent supplement: £43.40 a week for dependent adult; £9.70 a week for first child for whom child benefit is paid and £11.35 a week for each other such child.

Increment for deferred retirement: 1/7% of pensions for each week of delayed retirement between ages 65 and 70 (men) or 60 and 65 (women) subject to minimum deferment of 7 weeks.

Age addition: £0.25 a week if aged 80 or over.

SERPS: Accrual rate is 1.25% a year of coverage, based on average indexed surplus earnings (indexed earnings over the lower earning level of final year before pensionable age) after 1978, equal to 25% of average earnings over notional working life of best 20 years.

For pensioner reaching pensionable age between April 1999 and April 2009, accrual rate on earnings after April 1988 decreases gradually from 25% to 20% of average earnings over entire working life.

For pensioners reaching pensionable age as of April 2000, indexed earnings will be calculated with reference to the lower earnings level of the years in which earnings are paid rather than the final year. Maximum amount is £131.22 a week.

Old person's pension (noncontributory retirement pension): £43.40 a week minus any old-age pension.

Benefit adjustment: Pensions increased annually according to price changes. (The amount of increase is calculated according to the retail price index from the previous September.)

Income support (noncontributory, means-tested, social assistance benefit): For single pensioner, £92.15 a week depending on age, minus amount of other pensions and income; for pensioner couple, £140.55 a week depending on age, minus amount of other pensions and income.

Permanent Disability Benefits

Long-term incapacity benefit: Payable starting from 53rd week of incapacity (or starting from 29th week if terminally ill and disabled for at least 28 weeks) following payments of short-term incapacity benefit; £69.75 a week plus £43.40 a week for a dependent adult caring for claimant's child(ren) and £11.35 a week for dependent child.

Severe disablement allowance (noncontributory, no means test): £42.15 a week, plus £4.65, £9.35, or £14.65 depending on age when incapacity began; £25.00 a week for dependent adult, plus £9.70 a week for first child for whom child benefit is paid and £11.35 a week for each other such child.

Disability living allowance (noncontributory, no means test): Care component is £55.30, £37.00, or £14.65 a week according to needs. Mobility component is £38.65 or £14.65 a week according to needs.

Attendance allowance (noncontributory, no means test): £37.00 or £55.30 a week according to needs.

Disabled person's tax credit: Basic rate is £56.05 a week, or £86.25 a week for a couple or lone parent. Enhanced disability tax credit is £11.05 a week, or £16.00 a week for a couple or lone parent; 30-hour tax credit is £11.45; tax credit for each child under 15 years is £26.00 and aged 16 to 18, £26.75. Additional £30 for disabled children; £41.05 if severely disabled.

Child care tax credit: If receiving disabled person's tax credit, may also receive up to 70% of cost of child care up to maximum of £100 for one child, £150 for two or more. Calculated by adding the credits together. Income over £92.90 (£72.75 for a single person) is reduced by £0.55 for each £1.

Invalid care allowance (noncontributory, no means test): £41.75 a week plus dependent supplements, if appropriate.

Benefit adjustment: Pensions and allowances increased annually according to price changes. (The amount of increase is calculated according to the retail price index from the previous September.)

Income support (noncontributory, means-tested, social assistance benefit): Single person aged 25 or older receives maximum weekly allowance of £94.60 less amount of other benefits and income.

Survivor Benefits

Widowed parent's allowance: £72.50 a week, plus £9.70 a week for first child for whom child benefit is paid and £11.35 a week for each other such child.

Bereavement allowance: Amount varies with age at widowhood or when widowed parents' allowance ends. Age 55 or older, £72.50 a week; aged 45 to 54, percentage of full rate is paid.

Bereavement payment: Lump-sum payment of £2,000 payable immediately to help with costs arising on death of husband or wife.

Guardian's allowance: £11.35 a week per child; reduced to £9.70 if higher rate of child benefit is payable for child.

Benefit adjustment: Allowances adjusted annually according to price changes.

Income support (noncontributory, means-tested, social assistance benefit): Widow aged 18 to 59 with dependent children (up to age 18) receives weekly allowance of £53.05 plus £31.45 to £32.25 per child (depending on age of child) minus amount of other benefits and income.

Administrative Organization

Job Centre Plus administers payment of pensions, benefits, and income-tested allowances through its network of central and district offices.

Inland Revenue Contributions Agency collects and records National Insurance contributions.

Sickness and Maternity

Regulatory Framework

First law: 1911.

Current laws: 1977 (national health service), 1992 (consolidated legislation), 1994 (incapacity benefit), and 1999 (welfare reform and pensions).

Type of program: Dual social insurance and social assistance system for cash benefits and universal system for medical care.

Coverage

Short-term incapacity benefit: All employed and self-employed persons who satisfy certain conditions and are not eligible for statutory sick pay. Incapacity benefit is also payable to unemployed or nonemployed persons if they satisfy necessary contribution conditions.

Statutory sick pay: Paid by employer to employees with average earnings of £72 or more a week for 18 weeks.

Maternity allowance: All employed and self-employed persons who satisfy certain conditions and are not eligible for statutory maternity pay.

Statutory maternity pay: Paid by employer to women employees with average earnings of at least £72 or more a week.

Medical care: All residents, irrespective of nationality, payment of contributions or income tax.

Source of Funds

Insured person: Incapacity benefit and maternity allowance, see Old Age, Disability, and Survivors, above.

Employer: Incapacity benefit and maternity allowance, see Old Age, Disability, and Survivors, above. Total cost of statutory sick pay (except for certain small employers) and 8% of statutory maternity pay.

Reimbursement of statutory sick pay abolished in 1994 (except for some small employers).

Government: 92% of statutory maternity pay (100% in the case of some small employers); small portion of statutory sick pay; most of medical care (National Health Service). Total cost of means-tested allowances.

Medical care: Funded mainly from general taxation; small proportion from National Insurance contributions and patients' copayments.

Qualifying Conditions

Short-term incapacity benefit: At least 4 consecutive days of sickness within a period of incapacity for work.

Contributions paid on earnings of at least 25 times the lower earnings level in any 1 tax year (April to March), plus contributions paid or credited on earnings of at least 50 times the weekly lower earnings level in each of the 2 complete tax

years before the start of the benefit year (January to December) in which the claim is made. Payable to employees, self-employed, and unemployed under age 65 (men) or 60 (women) not receiving statutory sick pay from employer.

From April 6, 2001, contributions paid on earnings to at least 25 times the lower earnings level in 1 of the last 3 tax years before the benefit claim year, plus contributions paid or credited on earnings equal to at least 50 times weekly lower earnings level in both of last 2 tax years before claim starts.

Young people incapacitated before age 20, or age 25 if they have been in education or training, may be able to receive incapacity benefit without satisfying the contribution conditions.

Statutory sick pay: At least 4 consecutive days of sickness within a period of incapacity for work. Paid to employees under age 65 with average earnings of £72 or more a week.

Maternity allowance: All employed and self-employed persons must have worked for at least 26 weeks in the 66-week period before the expected week of childbirth and have average earnings of at least £30 a week in a 13-week period. Not receiving statutory maternity pay from employer.

Statutory maternity pay: Employed continuously for at least 26 weeks by same employer up to and including the 15th week before expected week of childbirth; average earnings £72 or more a week.

Medical benefits: No minimum qualifying period.

Income support (noncontributory, means-tested, social assistance benefit): Available to people with income below certain levels. Amount depends on income and circumstances.

Sickness and Maternity Benefits

Short-term incapacity benefit: Lower rate payable for up to 28 weeks at £52.60 a week, plus £32.55 a week for a dependent adult. Payable after 3-day waiting period. Higher rate is payable from week 29 to week 52 at £62.20 a week, plus £32.55 a week for a dependent adult. An increase of £9.85 a week is payable for eldest dependent child and £11.35 for each subsequent child dependent(s).

Long-term incapacity benefit: Payable from week 53 at £69.75 a week, plus £41.75 a week for a dependent adult. Dependent children are paid at the same rate as for short-term incapacity benefit.

Statutory sick pay: £62.20 a week. Payable for up to 28 weeks of incapacity after 3-day waiting period.

Maternity allowance: Payable for up to 18 weeks. The 18 weeks may start at any time from the 11th week before the expected date of childbirth to the week following childbirth. The standard rate is £62.20 a week. Women who do not qualify for the standard rate will receive 90% of average earnings (up to a maximum of £62.20).

Statutory maternity pay: 6 weeks at 90% of average earnings up to 12 weeks at the standard rate of £62.20 a week. Payable for 18 weeks. The 18 weeks may start at any time from the 11th

week before the expected date of childbirth to the week following childbirth.

Income support (noncontributory, means-tested, social assistance benefit): Single persons, for example, receive £53.05 to £94.60 a week depending on their circumstances.

Workers' Medical Benefits

Medical services provided by doctors and dentists under contract with and paid directly by National Health Service, and by public hospitals. Includes general practitioner care, specialist services, hospitalization, maternity care, dental care, medicines, appliances, home nursing, and family planning.

Patients pay 80% of cost of any dental work up to £360. Patients pay £6.10 for each prescription. Those receiving income support or family credit and their adult dependents, children under age 16 (under 19 if student), pregnant women, and nursing mothers are exempt from dental and prescription charges. People over state pension age and certain other groups are exempt from prescription charges. Exemption is also available to others with low income under National Health Service Low Income Scheme.

No limit on duration of benefits.

Dependents' Medical Benefits

Same as for family head.

Administrative Organization

Department for Work and Pensions administers cash benefits through its district and local offices.

Department of Health administers medical services through National Health Service.

Health Service includes eight regional health authorities and numerous other health authorities.

Work Injury

Regulatory Framework

First Law: 1897.

Current law: 1992 (consolidated legislation).

Type of program: Social insurance system.

Coverage

Employed persons. Excludes self-employed persons.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: Same as short-term incapacity benefit under Sickness and Maternity Benefits, above, for first 52 weeks. If disability continues, long-term incapacity benefit is paid (see Permanent Disability Benefits under Old Age, Disability, and Survivors).

Income support (noncontributory, means-tested, social assistance benefit): Available to people with income below certain levels. Amount depends on income and circumstances. Not payable if savings exceed £8,000 or if working more than 16 hours a week.

Permanent Disability Benefits

Industrial injuries disablement benefit: Up to £108.10 a week if 100% disabled. Payable from 15th week after accident or onset of disease.

Partial disability: From £21.86 a week for 14% disability to £101.61 a week for 90% disability.

Reduced earnings allowance: Only payable for occupational accidents or diseases before October 1990. Up to £45.20 a week if at least 1% disabled and unable to do the same job, resulting in loss of earnings.

Constant-attendance allowance: Payable if 100% disabled; £22.60 or £45.20 a week depending on need; £67.80 or £90.40 a week if needs are greater.

Exceptionally severe disablement allowance: £45.20 a week if receiving top two rates of constant-attendance allowance.

Income support (noncontributory, means-tested, social assistance benefit): Single person, for example, receives £53.05 to £94.60 a week depending on the degree of disability.

Workers' Medical Benefits

Provided under the National Health Service.

Survivor Benefits

See survivor benefits under Old Age, Disability, and Survivors, above.

Administrative Organization

Department for Work and Pensions administers payment of pensions and income-tested allowances through its network of central and district offices.

Inland Revenue Contributions Agency collects and records National Insurance contributions.

Unemployment

Regulatory Framework

First law: 1911.

Current law: 1995 (jobseekers).

Type of program: Dual social insurance and social assistance system.

Coverage

All unemployed jobseekers who meet the entitlement conditions.

Source of Funds

Insured person: See Old Age, Disability, and Survivors, above.

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above. Meets total cost of means-tested allowances.

Qualifying Conditions

Jobseeker's allowance (contribution-based): Must be 18 or older and out of work or working less than 16 hours a week (16- to 17-year-olds may qualify only under specified conditions). Contributions paid on earnings of at least 25 times the lower earnings level in 1 of last 2 complete tax years (April to March) before the start of the benefit year (January to December) in which claim is made; and contributions paid or credited on earnings of at least 50 times the weekly lower earnings level in both the appropriate tax years. Earnings must not be higher than prescribed amount.

Must be registered at Job Centre: capable of, available for, and actively seeking employment; and have a current Jobseeker's Agreement. Questions relating to availability, unemployment due to voluntary leaving, misconduct on the job, refusal of employment, or disagreements over the Jobseeker's Agreement are dealt with by specialist decisionmakers.

Jobseeker's allowance (income-based): No income or an income that does not exceed the applicable amount. No entitlement to contribution-based jobseeker's allowance, insufficient or expired contribution-based jobseeker's allowance. Not payable if savings exceed £8,000 or if working more than 16 hours a week.

Unemployment Benefits

Jobseeker's allowance (contribution-based): Flat-rate benefit for up to 6 months; £53.05 a week if aged 25 or older (£42.00, aged 18 to 24; £31.95 if under age 18). Payable after 3-day waiting period.

Jobseeker's allowance (income-based): Amount dependent on age and one household income and composition: for example, a single person receives £31.95 to £53.05 a week depending on age.

Administrative Organization

Inland Revenue Contributions Agency administers contribution records.

Administration of Jobseeker's Allowance through local centres called Job Centres.

Family Allowances

Regulatory Framework

First laws: 1945 (child benefit) and 1987 (family credit).

Current law: 1992 (consolidated legislation).

Type of program: Universal system (child benefit) and social assistance (working families tax credit).

Coverage

Residents with one or more children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Child benefit: Child must be under age 16 (under 19 if full-time further education). Dependent upon conditions regarding residence and presence in the UK.

Working families tax credit: Families must have at least one child under age 6 (or under 19 if in full-time nonadvanced education), must work for at least 16 hours a week, and must not have savings in excess of £8,000.

Family Allowance Benefits

Child benefit: £15.50 a week for eldest qualifying child, £10.35 for each other. For lone parents, £17.55 a week for eldest qualifying child.

Working families tax credit: Amount depends on income, partner's income, and number of children and their ages.

Administrative Organization

Department for Work and Pensions administers child benefit; to be transferred to Inland Revenue as of 2003.

Administrative organization arrangements for guardian's allowance to be transferred to Inland Revenue as of 2003.